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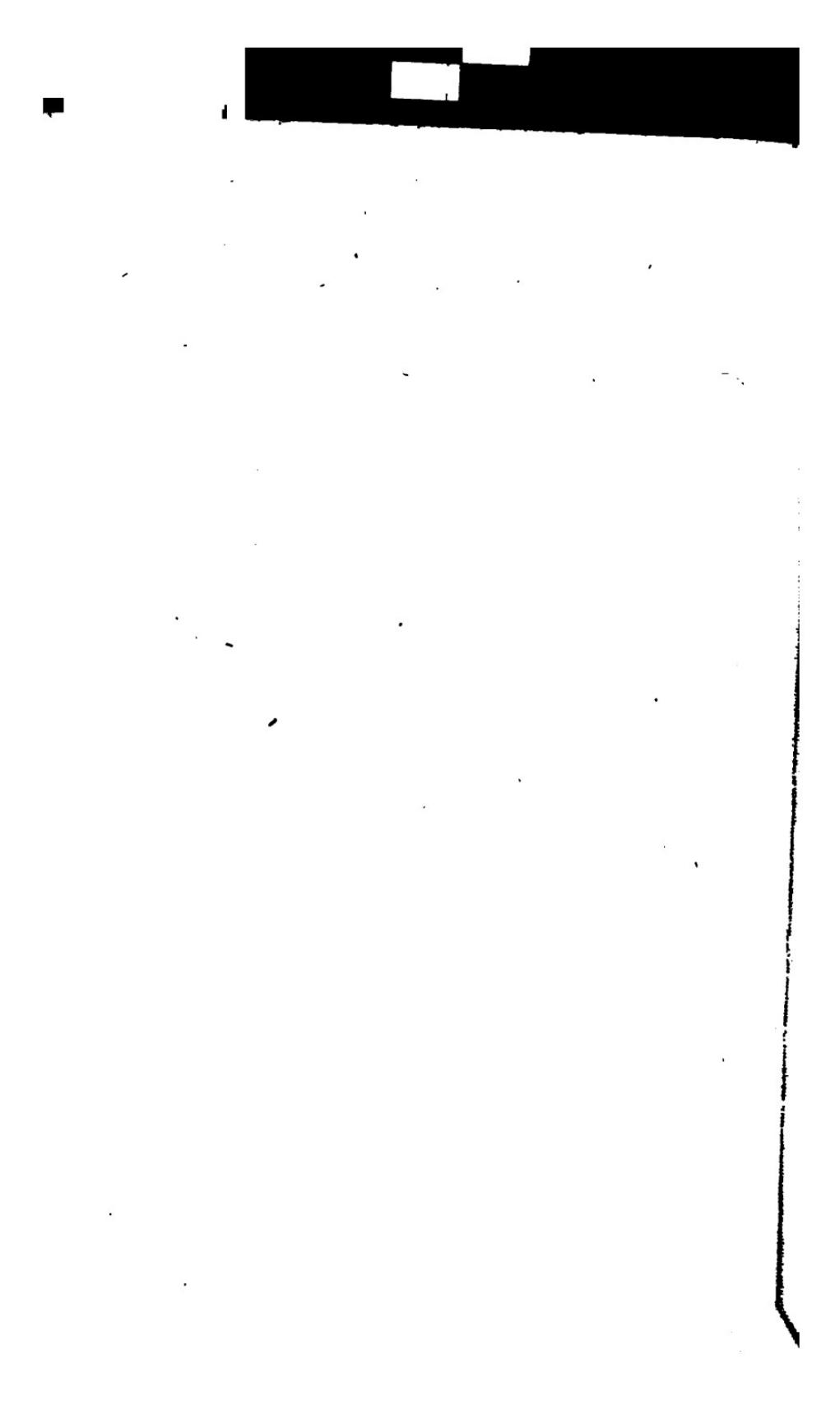
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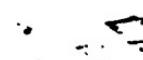


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THE REAL BUSINESS OF LIVING

BY

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Professor of Philosophy in the University of Chicago

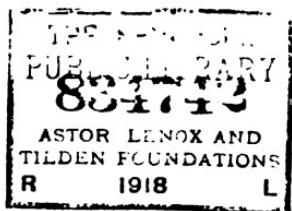


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PREFACE

The title of this book is taken from the deed of gift by which Phillips Academy, Andover, was founded. The purpose of the school was declared to be "instructing youth not only in English and Latin Grammar, Arithmetic, Writing, and those Sciences wherein they are commonly taught; but more especially to learn them the Great End and Real Business of Living." By the Great End the founders probably meant the service of God; by the Real Business of Living they probably meant doing one's work in the world.

There is a growing conviction that today also we need not only to furnish young people instruments or tools for efficiency by the aid of "those sciences wherein they are commonly taught" but to consider more than we have hitherto the ends and values of living. This finds expression on the one hand in inquiries as to better preparation for citizenship through a different treatment of history or civics; on the other in demands for moral education; and although there may be a question as to how far the school is able to secure the formation of habits or deal with the more personal and intimate aspects of character and morals, there is general recognition that school is eminently the place for consideration of what is dependent particularly upon intelligence and is relatively objective—the field of public morality and civic duty.

This book attempts to show the origins of our institutions and standards, of our business and political

PREFACE

ideals. It makes large use of the objective expression of these in law and government, but it also aims to point out the tasks in responsibility, public spirit, fair dealing, city planning, and further development of liberty, coöperation, and democracy which make the real business of living a genuine enterprise of high appeal.

Part I of this volume and, in more extended form, Part IV have appeared in a book for general readers entitled *Our Democracy*. In the preparation of the manuscript for the press I have been aided in this as in that book by Mrs. Anna Bryan Ayres. I should like to express also my obligations to numerous colleagues, for I have gone much afield beyond the borders of my own special studies.

J. H. T.

February, 1918.

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PART I

**THE BEGINNINGS OF COOPERATION,
ORDER, AND LIBERTY**



CHAPTER I

INTRODUCTION

THE business of being an American citizen is not Living what it was when our nation was founded. At in 1776 that time most men in this country were farmers. There were no factories, no railways, no cities of any considerable size. Practically all the people of the colonies were of one race and language. None were very rich and none very poor. They were separated from Europe by a voyage of months. The great tasks of men and women were those of the pioneer: first, to settle the wilderness, cut the forests, plant and harvest; and second, to establish homes, schools, churches, laws, and government. Their new nation was conceived in liberty and dedicated to the proposition that all men are created equal.

Today the work of getting a living is in many ways less heroic than in the days of the pioneer. It does not call for the same hardships; it does not get us up so early of a winter's morning, it does not compel us to make our journeys mainly on foot or to transport our goods by oxen; it does not compel the housewife to know spinning, weaving, cutting and making garments, soap and candlemaking as well as cooking and house-keeping. But the very fact that all these kinds of work once done by hand and in the household, as well as many other new kinds of manufacturing which could not have been done at all in the old days, have gone

Changed
conditions
set new
problems

into factories; that railways carry us and our goods; that inventions have changed our ways of living and produced great wealth; that we now nearly half or quite half of us live in cities;—all these changes have set new tasks which make living today a real business even more than it was in 1776. These changes have created needs for new laws, for new schools and universities. They have made it necessary for the governments of our cities, state, and nation to care for health and decide many matters that could formerly be left to each person to decide for himself. The great increase in wealth makes it easier for men to mistake what it means to live "well" and so to decide what the real business of living is.

The task of the citizen has also changed. The citizen of today must still think of liberty, union, and democracy, but in new forms. The great changes in the way of carrying on business and the great number of different races who now come to this country and become citizens bring new problems. We may not believe that all men are equal in all respects—and doubtless our fathers did not believe this either—but since we have equal votes we see the need of giving men equal opportunities. Finally the relation of America to other countries is no longer so simple as when it took months for a ship to cross the ocean. Our fathers came away from Europe to find freedom; they hoped to keep it safe by holding aloof from Europe's affairs. We have learned that we cannot enjoy our freedom alone. Europe is so close a neighbor that freedom is not safe here unless it is safe there. We learned the value of union in our own land; now we see the need of world-wide coöperation to keep peace and promote general welfare. We believe not only that government by the

INTRODUCTION

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people must not perish from the earth but that "the world must be made safe for democracy."

To begin with a study of the way in which early man lived in clans governed by customs may seem to be a roundabout way of understanding our present problems. But in every field we find it one of the most helpful ways to understand any institution to compare it with earlier stages or with other institutions. Men did not learn coöperation or create liberty and democracy all at once. We can appreciate these more fully if we trace the main steps by which they were worked out. The main types of coöperation and union which men had already tried before the days of our American nation were three:

1. The clan, in which men were controlled by habits and customs.
2. The state, governed by laws, established by a king with a band of warriors. They made order but gave little freedom.
3. The town, made up of traders and craftsmen, brought men together in a new group with more freedom and democracy.

Our
early
ancestors

IN recent years we have come to know much more about our ancestors. The caves in which are found tools, weapons, drawings, and even paintings made by early men in Spain, France, Germany, and Great Britain, the lake dwellings in Switzerland, the piles of kitchen waste in Scandinavia, give a view of how the early dwellers in these countries got their living, what animals they hunted, what inventions they had. The discoveries in Egypt, Assyria, and most recently in Crete, show many of the earlier stages by which the wonderful civilization of those countries was built up. The men of the caves in Spain and France lived with the reindeer, the mammoth, and the bison. We know this because we find in the caves the cut or carved drawings of these animals on bone, and colored pictures of them on the cave walls. Early men used chiefly stone tools instead of metal. In many ways they probably resembled our North American Indians. The mounds in Scandinavia, Greece, and Crete show men later using copper or bronze, and finally iron.

The
great
inventions

The extraordinary thing is that at a very early time men had made the most important inventions, so far as getting a living was concerned. For they had:

First—Fire. We know this because there are ashes in the caves.

Second—The bow and arrow, which enabled them to get food from animals and birds. We know this for

we find the flint arrow heads like those used by the Indians.

Third—Pottery. This also was similar to the pottery made so successfully by our American Indians.

Fourth—Weaving. This gave clothing.

Fifth—Taming of animals such as the ox for plowing, the horse for riding, the dog for hunting.

Sixth—Boats for sailing over rivers and even great lakes or seas, and for aid in catching fish.

Seventh—Among some groups, the use of metals, especially iron. In the very early times of our European ancestors iron was not known, and the American Indians got on without it, though they made some use of copper.

These seven discoveries or inventions were all means for getting a better living. They gave man power over nature. Besides these, men had one other great gift which enabled them to unite and aid each other, namely:

Eighth—Speech. Animals use cries or gestures by which they can warn of danger or call to food, or call to their young or their mates. But human language enables men to understand each other and work together far better than animals can.

Ninth—And even in very early times men added Writing, at first with pictures, then with signs. This was useful for sending messages, but especially for keeping records, and so making men able to be sure about contracts and promises and in many ways to keep firmly in mind what had happened in the past.

Nothing so important for getting a living as these nine was afterward discovered or invented until the steam engine added a new and great servant to man. This invention had its beginnings in a crude pumping engine about two hundred years ago, but it was not

8 BEGINNINGS OF COÖPERATION

until improved by James Watt that it became really efficient, and then combined with the inventions for spinning and weaving to effect an industrial revolution about the beginning of the nineteenth century.

Progress from savage life to 19th century was chiefly in social life

Four stages up to 19th century

The two events:
(1) The Industrial Revolution
(2) Founding of the American nation

In the thousands of years between the early uses of stone tools or first discovery of iron and the industrial revolution of a century ago men had made progress chiefly by discovering how to unite. They united mainly for two purposes: either for war in armies, or for trade and protection in cities. They learned how to govern and keep order. In cities they built beautiful buildings and gained skill in various crafts. They began to struggle for liberty. They found ways to make law protect them against rulers as well as against burglars and thieves.

The main stages in man's progress in the real business of living down to about the beginning of the nineteenth century will then be:

I. Early society in tribes or clans with its inventions, mode of getting a living, and customs for regulating life.

II. Society in military groups when men had learned how to cultivate land and to unite into states.

III. Society in towns where trade grew, and arts and crafts could be practised, and

IV. First steps toward Liberty and Justice.

This will bring us to the great inventions of about a hundred years ago. A new order begins then in the way of getting a living and this has brought our present problems as to what is the right way to do business. This brings us also to the foundation of our nation by the Revolution of 1775 and the adoption of the Constitution in 1789 which decided what sort of country we should have. The life of American citizens today

and the tasks which confront them are largely determined by those great events.

Beginning now our survey with a look at savage life, we note that we do not have to go back so very far into the past. It is not many centuries since most of our forefathers, if they were British, or German, or Scandinavian, or Slav, lived as savages or at least as barbarians. A little longer ago Greeks and Italians, and still longer ago Jews, lived likewise a savage or roaming life. Some had no iron tools, but used stone for axes as well as for arrow heads. In this they were like the American Indians. Like the Indians, most of them hunted and fished; like the Indians, too, they lived in clans or tribes and had customs of blood revenge. We can use many features from Indian life to help us imagine how our own ancestors lived and what their customs were.

One point we do well to keep in mind. When we speak of savages or indeed of people who lived long ago we are likely to think that they were very different from ourselves and perhaps quite inferior. But we must remember that our own ancestors lived as savages; so we cannot assume that the savage is necessarily inferior to the civilized man in his ability. And as regards the actual fact, to discover fire and how to use it, to make a bow and arrow, to make the first pottery, to weave the first cloth, and to make the first iron tools were as great achievements as man has since performed.

The great difference between early men and civilized men today is not in their brains. The reason why the American or European today is able to make so much better a showing is because he has inherited so great

The great difference between savage and civilized men

Getting a living in early times

a stock of ideas and ways of doing things. These inherited ideas come to us not only through books and through the teaching of our parents, and of skilled workmen, but also in our tools, our grains, plants, and fruits, our written language, our knowledge of numbers, and in fact the copies or patterns for all kinds of arts which are all about us. These stimulate the mind of the little child as soon as he opens his eyes, and a large part of the life of all of us consists in just walking up the stairs which our forefathers have built ready for us. Many of us never build a single new stair. The best of us build only a few stairs.

In studying the life of early man it is natural to begin by asking how he got his living. We may conveniently approach the answer by repeating the question in a more personal form and contrasting early with present life: What would a young man in early times expect to do for a living? What occupation would he follow?

The boy of today who leaves school, especially if he lives in a city, or goes to the city to seek his fortune, sees a great many kinds of factories, shops, and offices. But very likely he has to look a good while before he finds a place. A clever artist has sketched in a series of cartoons the history of a young high school graduate, going from office to office, and keeping up a plucky search for work for week after week. The difference between this condition and that of the boy in early society is that now there are many occupations but no sure place for any particular boy; then, there was only one occupation, but every boy or girl was sure of a place.

There was only one occupation—rather there were two main sets of occupations, one for men and one for

women. The man in general had to protect the women and children, and to capture the game. As an Australian put it, "A man hunts, spears fish, fights, and sits about." The women gathered roots or seeds, ground them, cooked, wove, made baskets or pottery, carried water, cared for the children. And both men and women had to make the weapons or tools they needed. In many cases men and women were very careful not to have anything to do with the tools or weapons of the other sex. These were "taboo"; it was regarded as dangerous for the other sex to touch them. A man might become weak if he meddled with woman's things. But practically all men in the same tribe did the same kind of work.

The other interesting fact was that every boy was sure of a place. This was because the family or clan or tribe all hung together. As the children grew up they stayed with their family or clan. They did not go off to the city to seek their fortune. They might stray away in search of food but they seldom dared to get far from the main group, for fear of their enemies. This might sometimes make it hard for the family or tribe to find enough food for all. But if so they shared their plenty or their want. As Dr. Eastman, himself a Sioux, says, "A whole tribe might starve; a single Indian never." One reason why this sharing was more possible than it is in civilized countries was that land was not all divided up and owned by individuals as it is now. The tribes of Indians had their range of forest or plain, and knew that if they went beyond certain bounds they would get into the territory of other tribes who would very likely attack them. But within the tribe the separate Indians did not have their own private land. So when a boy grew

12 BEGINNINGS OF COOPERATION

up he simply went with the rest to hunt or fish, or ranged about for small game by himself.

The day's work

A workman of today expects to work eight, nine, or ten hours a day. A few years ago his day would have been much longer. The farmer began work about five and kept at it until after dark. The stores and factories had similar hours. The writer was told the other day by an acquaintance that as a boy he worked in a woolen mill where he went to work at five in the morning and stayed until seven in the evening, stopping a half hour each for breakfast and dinner. Indeed, even schools kept early hours. At the academy where the writer's father prepared for college, the students rose for morning prayers at half past four in summer and at five the rest of the year. Now in savage life our ancestors kept no such regular hours. The men, especially, seemed to "sit about" a good deal, as the Australian said. And if you think of it, the work of the men was largely what civilized people call sport. It was hunting or fishing. There was a good deal of excitement about it and it necessarily came at irregular times, depending on the habits of game, or the sudden outbreak of war. When they did such steady work as rowing or carrying burdens, or hammering, men were very likely to sing and so relieve the monotony. The women, on the other hand, had much less exciting tasks. Most of what we call drudgery was done by them. For such work as grinding seeds or grain, kneading, weaving, washing clothes, they too had songs, and the rhythm helped them to keep steadily at their task.

This does not necessarily mean that savages were lazy, or cruel to women, as it is often charged. Some savages were no doubt both. But the chief reason for

the division of labor was that the man had to do the fighting and hunting because he was the quicker and stronger. If he was to do this he must keep ready for it. On the march he must be able to repel attack. Hence he carried his weapons and the woman the other belongings.

The materials out of which the savage made his tools Tools and utensils varied considerably, but the beginning seems to have been with stone, bone, shell, and wood. Think for a moment what this meant in cost of time and energy. On my table lies a stone axe with which I suppose Indians may have worked in the very spot where a sawmill is now whirring. Think what it would mean to cut trees with such a tool. To be sure, a savage did not attempt to cut down an entire tree. He burned the base of the tree and used the axe to help the work of the fire. So in hollowing out a log for a canoe, fire did the main work; the edges were kept wet to confine the fire to the mid part, and the axes or knives finished the task. But even so, it was a slow process. Or think of grinding in a stone mortar or with a hand mill all the grain to be used.

In early society no one could plan to be a merchant or trader, because there was no such vocation. No one made a business of purchasing wares in order to sell them again at a profit. The early method of exchanging something that one man had for something that some one else had was by making a present, and then getting a present in return. Notice, however, that in savage life a man would not need to exchange presents with some one in the same tribe or household. For as regards food, all would share. "It is looked upon as a theft (or at least as a mean act) if a herd of

Gifts as a
mode of
trade

cattle is slaughtered and not shared with one's neighbor, or if one is eating and neglects to invite a passer-by. Any one can enter a hut at will and demand food; and he is never refused." And if it was a tool that was wanted, it could be borrowed if there was one in the tribe. The only exceptions in which presents would be needed would be "when purchasing a wife and making presents to the medicine-man, the singer, the dancer, and the minstrel, who are the only persons carrying on a species of separate occupations."* Between two different tribes hospitality even now is a common occasion for presents: "The stranger on arriving receives a present, which after a certain interval he reciprocates; and at his departure still another present is handed him." And of course the exchange of wares through presents is not limited to savage tribes, nor to hospitality. We read in the Old Testament of gifts to a conqueror, or to a fellow ruler. The Moabites and the Syrians brought gifts to David. Many princes brought gifts to Solomon, and notably the Queen of Sheba, who brought gold and spices and precious stones. Indeed the spices were long remembered, for the author of the book of Kings says, "there came no more such abundance of spices as those which the Queen of Sheba gave to King Solomon." And we have an interesting example of how presents did not always correspond to expectations. For Hiram, King of Tyre, furnished Solomon with cedar trees and fir wood and gold, with which Solomon built a temple and a palace. At the end of twenty years when these were finished Solomon gave Hiram in return twenty cities. "And Hiram came out from Tyre to see the cities which Solomon had given him; and they pleased him

* Bücher, *Industrial Evolution*, pp. 60 ff.

not." It need not be pointed out how awkward a way this is of really getting just the thing that is wanted and at a fair exchange. Nowadays we do not like to receive really valuable presents except from members of the family or from very close friends.

CHAPTER III

FIRST COÖPERATION—THE CLAN AND ITS CUSTOMS

HOW much had early peoples learned about living together? How far had they learned to coöperate? Today we belong to a family group, to a city or township, to a state, and finally to the nation. In this country it is the city or town that has most to do with our health and education. It is the state which makes the laws that make our lives and property secure. It is the nation which protects from any foreign enemy, which safeguards many of our liberties, and which is more and more coming to regulate our railroads and larger activities of business. These groups—family, city or township, state or nation—are ways of uniting and coöperating which men have gradually worked out. How much of this had the savage discovered?

The
earliest
group

The great group in early life was not the nation or state or city—for there were no such organizations—but the clan or tribe or kinship group. It decided where a man should live, whom he should marry, who his friends and foes would be, and by its customs regulated his education, his religion, and in fact nearly all that he did. It is then very important to understand this early clan which we may think of as the first plan of coöperation for union and government.

What is a clan? Perhaps the simplest way to get

at this is to think of it as a group of relatives living together or near one another, mother, brothers, uncles, aunts, cousins. It is not just the same as a large family, for the belief early grew up that a man should not marry a woman of his own clan. A family would have in it members of two different clans, that is, a husband and wife; the clan, on the other hand, would have in it blood relatives only, except as it included adopted members. Sometimes when a man took a wife she would be adopted into his clan. In this case she had to give up her own clan and would not be regarded by it as any longer a fellow kinswoman. But sometimes the woman stayed at home among her own kin. In this case the husband was not adopted into the wife's family, but was received as a visitor and kept his kinship with his own clan. Then if a quarrel arose between his clan and his wife's clan he would have to side with his clan and she with hers. Early society was built on the idea that blood was the strongest tie.

We do not mean to imply that all savage peoples have clan groups such as we have described. What we wish to say is that the clan was the typical group of early life. It came before there was anything like a nation, or a city, or a business group, or a labor union, or any other kind of union. The ancestors of all European peoples and of the Jews once lived in such clans or tribes. Walter Scott in the "Lady of the Lake" tells how a clan was roused by the signal of a fiery cross carried and passed on by swift runners:—

" When flits this Cross from man to man,
Vich-Alpine's summons to his clan,
Burst be the ear that fails to heed!
Palsied the foot that shuns to speed!"

And in response to this message Clan Alpine gathered:—

“ Each trained to arms since life began,
Owning no tie but to his clan,
No oath, but by his Chieftain’s hand,
No law, but Roderick Dhu’s command.”

Many of Scott’s novels also suggest the strong ties of the clan which brought all the members to the help of any one member who was in trouble. A Scotch Macgregor or Macpherson is still proud of his clan even if he does not show it by fighting against other clans. Cæsar says that among the Germans of his day, “ No one possesses privately a definite extent of land; no one has limited fields of his own; but every year the magistrates and chiefs distribute the land to the clans and the kindred groups and to those (other groups) who live together.”

The song of Deborah in the book of Judges praises the tribes of Israel that came to help their fellow tribesmen in battle and blames those that were timid or selfish. In early Rome and Greece there were great clans such as the Julian “ gens.” It may safely be said that the ancestors of all of us once lived in this kind of group. Every one who as a boy has belonged to a gang or club or team has had something of the same feeling about standing by the group, keeping its secrets, or being loyal to the team.

Origin and purpose of the clan

Early men formed these clans because it was the natural thing for children as they grew up to stay together, and when there were no other groups such as we have now—churches, political parties, nations, business firms—the clan naturally was stronger than a family is with us. It served two great purposes.

First, it protected its members from other groups; in this it was like the nation today. Second, it controlled its members and made them do what the group as a whole thought right. Today this control is divided up among several groups. Parents are responsible for young children; schools for children during part of the day; cities for the way houses are built, waste disposed of, and streets kept safe; the state looks after most of the regulations of business, and decides questions about contracts; the United States controls our railroads, our post offices, and a few other affairs. In early life the one group, the clan, had all the responsibility.

In particular the clan decided some such things as the following:

(1) It decided where its members should live. Nowadays a man goes to live where he can find work. Very likely he does not choose to remain with his family. In early society every one had to stay with his clan unless in the case of the woman who might go to her husband's clan. But even then the young people could not go off and set up a house where they pleased. It must be either with the husband's clan or the wife's clan. If a man were to decide to live by himself apart from his clan he would have no protection and might be killed by any one.

(2) The clan decided almost entirely what each of its members would do and what they would have to eat. For when a clan wanted large game all must join in the chase. It would not do for an Indian to stay at home or go off by himself if it was time for the great buffalo hunt. If the clan was a clan of shepherds, then every one must herd sheep. Many of the crafts, such as that of the smiths or metal workers, were fol-

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lowed by a whole clan. And when game was captured or wild rice gathered by the clan, the product was shared by the clan.

(3) It decided very largely what every member must wear and what his or her ornaments or decorations should be. Nearly every savage tribe today has some characteristic manner of decoration or, as some might prefer to call it, of mutilation. Some wear scars of a certain pattern; others tattoo in a certain way; others knock out a particular tooth; others have a definite style for wearing the hair; the Thlinkeet Indian women on the Pacific coast wear a large block of wood inserted in the lower lip. Fashion among civilized people is strict, but it changes more or less from year to year, and is fixed by certain classes in certain cities for those who wish to be in style. Costume and decoration among savage people are largely fixed by the clan and are unchanged from generation to generation.

(4) It decided one's religion. For whatever the religion might be, the whole clan had the same belief, observed the same rites at birth, marriage, death, kept the same sacred days and festivals.

(5) It decided who would be one's friends or foes. If any member of a clan were killed or wronged by some one of another clan, then it would be the duty of every member of the first clan to help revenge the injury upon the second.

Customs

How did the clan control its members? Today the city, state, and nation control and protect us by laws. The early clan had no written laws prescribed by a king, or passed by a legislature, or enforced by a special body called a court. Instead it had *customs*. Custom was king. The old men of the clan might have a good

deal to do with making customs, but every one in the clan helped to enforce them.

Custom is of course very strong today in certain parts of our lives. Why do men wear one kind of clothes and women another? There is a law on the matter, but we seldom if ever think of it, and perhaps many do not know of it: we simply want to wear what other men or other women wear. Why do Americans today eat chiefly with a fork, whereas not long ago the knife was more used, and among other peoples the fingers are the main reliance? It is the custom in our set. Why do we call it incorrect to say, "There isn't no such person"? The Greeks, who were very keen-minded people, used to put in two negatives into a statement to make it emphatic. It was the custom in Greece, but among us good speakers and writers do not do it, and we follow their practice.

A great deal of our life is thus ruled by custom even now. But if we consider such illustrations as we have just given we note that in some of them there is no strong motive to act in a way which is different from the way the group acts, for example, shaking hands, while in others a violation might offend taste but would not really harm any one else, for example, eating with a knife. When we deal with matters where there may be a strong motive to do differently from the group, for example, in breaking a promise to pay back borrowed money, and where as in this case the failure would harm another, we do not trust to custom. Early man could get along better with custom because in small groups every one would know every one else and it would be almost unendurable to live in a small group if one got all the others down on him.

Notice some of the customs of clans. If we should

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House customs in the clan

go into a house among many peoples who now have the clan system we should be likely to find a group sitting in a fixed order—the father, the mother, the children, the guest have their definite places and would not think of sitting anywhere else: This is a very effective way of teaching every one to think of others, and to respect the elders. It is carrying farther our custom of giving a seat to an older person, or allowing him to go first through a door. It is a first step in manners and morals both.

Initiation

The initiation ceremonies are highly interesting customs. They are practised among many primitive peoples to make boys full members of the group. Like the initiations in many secret societies, they are intended to impress the new member with his own helplessness and with the superior knowledge and power of the group. Among the Australians the ceremonies occupy weeks, and even months. A boy is kept much of the time hidden behind a screen of bushes, forbidden to speak except in answer to questions; decorated with various totem emblems; charged to obey every command and never to tell any woman or younger boy what he may see. At intervals he is brought out and watches performances by the men decorated to represent animals who are supposed to be the ancestors of the clan. He hears mysterious sounds which are supposed to be due to spirits. He is finally told the important traditions about the ancestors of the tribe and is shown some of the sacred objects in which the ancestral spirits are supposed to live. All these customs are well adapted to inculcate great respect for the traditions of the tribe.

Marriage

All such clan groups have very strong customs about marriage. A Sioux Indian would not marry until he

had done some brave or difficult deed to show that he was a man. The Sioux had a feast of maidens that no girl dared to attend if she had misbehaved and broken the customs for proper conduct. Practically all clans were very strict in forbidding their members to marry women from within the clan. This custom is called exogamy, "marriage outside." In Australia the native had to select his wife from a certain small group into which it was proper for him to marry. He would not dare to marry any one else. One very amusing custom among many savage peoples is that a man must not speak to his mother-in-law; on the other hand, he is often expected to make her presents of food.

Other important customs prescribe how to deal with quarrels, for a group of people must have some way to settle disputes. One way is to have a sort of regulated duel—the parties try to get the better of each other, but without actually aiming to kill. Among the Australians, if one man steals from another he sometimes settles with the man who is wronged, in a duel with wooden swords and a shield. The old men or chiefs stand by and see fair play. This is a sort of lawsuit with weapons instead of words—or we might put the matter the other way and say that a modern lawsuit is a contest with tongues instead of with fists.

But the most striking custom of all is the custom of blood revenge. If a man in one tribe or clan injures or kills a man in another, every kinsman of the victim is bound to revenge the wrong. If he cannot kill the murderer he kills some one else in the murderer's clan. Sometimes a payment of money is made to satisfy the relatives of the man who was killed. In this case every member of the kin is bound to contribute. This cus-

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tom of family feuds survives even yet in many countries of Europe, and in some parts of the United States.

Taboos

As already suggested, one large set of customs is with reference to acts that must *not* be done or with reference to food that must *not* be eaten. We might call these negative customs. They are often called *taboos*. Taboo means nearly "mustn't touch." Most savage peoples regard certain plants or animals as taboo; they will not eat them. In some of these cases the plants may be poisonous but in many cases no good reason is known for not eating the plant or animal. Possibly some one was once taken ill or had some bad luck after eating the plant, and this would make it appear dangerous. Other taboos refer to conduct that it is feared will bring bad luck upon the group; marrying a woman from the wrong group is of this sort. A taboo is also a very convenient way to keep certain things for the priest or chief. If he says that the young cocoanuts are taboo, none will dare to pick them.

Why customs are obeyed

Why did the members of the clan observe these customs and taboos? For very much the same reasons that we conform to customs now. Three reasons are: (1) All of our group do it this way; (2) it always has been done this way; (3) it would bring trouble or bad luck if we didn't do it this way. (1) All our group do it this way. We all like to be "with the crowd." We don't like to be thought queer or different. We are all somewhat like birds or sheep that are lonesome if they are not with the flock, and follow wherever the flock goes. (2) It always has been done in this way. Habit is a strong master with all of us. It is easier to follow an old pattern in making a tool or a weapon or a jar or a blanket. And the more times

we do anything in a certain way the harder it is to change. It seems to be the right way. If husband and wife have always been from different clans it seems as if they ought to be so. If the son has always avenged his father's murder then it seems to be the only thing to do. (3) It is liable to bring trouble or bad luck to break a custom or taboo. Some people today fear to begin a journey on Friday. Passenger steamers do not often sail on that day. Early men did not know so much about nature as we do. They sometimes were made sick by poisonous plants. They sometimes found no game, they sometimes could get no water. It was not strange that they believed that there was a right way to prepare food, to hunt, to fight, to receive guests, to marry, and that a wrong way would bring bad luck.

The early group had several ways to make any member conform to its customs.

First, it actually trained him how to do certain acts. How the clan made its members conform
Parents now train children how to use knife and fork, how to bow, how to speak correctly. Music teachers train pupils to sing. Athletic coaches train boys to play games. Soldiers are trained. The early group trained its children in dancing, in singing, in hunting, in religious ceremonies.

In the second place, a group was "down on" any member that did not conform, and no one liked to have a group "down on" him. They might make fun of him, or cut him, or in different ways make it so uncomfortable that he was glad to get back into favor.

Third, if this public opinion or ridicule was not enough the group might take more severe measures. If a man were suspected of practising witchcraft or if

he should marry a near relative, the Australians might form a war party to go and spear him.

Fourth, the greatest influence of all among savage peoples has always been the same, the fear that something mysterious will happen if a taboo is broken. Formerly among the Hawaiian Islanders there was an extraordinary degree of such fear. It was known that certain men who had violated a taboo disappeared. No one saw them taken off or killed, but they never failed to disappear. As a matter of fact they were captured by secret agents who were always to seize them when alone, waiting if need be for a year, in order to carry out their plan secretly. But the mystery was a dreadful feature. In some cases a man would fall sick or die after violating some custom; he would be literally frightened to death when he found out what he had done. Of course, this would be regarded by the others as a sign that some mysterious power was angry with any one who violated a taboo. Indeed one doesn't need to go to savages to find people who are afraid that certain acts will bring bad luck. Very likely we have all known persons who do not like to be one of thirteen at the table, or to wear opals, or to see the moon over the left shoulder, or to break a looking-glass, or to pass a graveyard at night. We perhaps smile at such fears; but savage people take all their taboos and customs very seriously.

How far had early man in clan life succeeded in laying the foundations for what has developed since? How far did he advance in getting a living? How far in uniting with his fellows? How far in developing the qualities of character which lie at the basis of citizenship?

In getting a living he showed great cleverness and ingenuity. The inventions he made were remarkable. But far fewer than among civilized people could get a living. When people are comfortable and have plenty of food their numbers usually increase. If their numbers remain small it usually shows that food is not plenty, or else that they suffer from war or disease.

The great lack among early men seems to have been that they had not yet learned how to coöperate in a large way. Especially they had not learned how to divide up within the clan into different crafts and trades nor to exchange goods with each other. And as for trade and exchange between clans, fear and distrust made that very difficult. Each clan was a sort of we-group that thought of other people not as customers or as friends but as an others-group.

There are two ways in which men can coöperate to help each other in getting a living. The first and simplest way is by uniting their strength. Two men can lift a heavy log, or catch a big fish, or bring down a large buffalo better than one can. Savages coöperate in this way very well. The second way is by dividing up into different occupations and then exchanging products. The farmer, blacksmith, shoemaker, and weaver help each other far more than if they should all four try to work together on the farm, then at the forge, then at the bench, and finally at the loom. Or by a slightly different kind of division of labor men may divide up the parts of one task, as is done today in making shoes, and then put together the parts into complete products. The early men in savage or barbarous life did little of this second kind of coöoperating. This made life hard, and kept them from getting on very far. For if one man has to do all

Success in
getting a
living

Limits
of early
coöpera-
tion

kinds of work, or all parts of a task, he never can be as quick and expert as though he could specialize on one kind of work.

Wastes
of clan
warfare

A second great lack in clan life was shown by the waste of time and energy in quarreling or war. Not such great wars as came later but more or less constant danger. This again was because man had not learned how to live in large groups. He had to spend much of his time watching the other fellow, that is, the other clans; and even so, he was liable to be raided, his house pulled down or burned, and his crops destroyed. If one of his clansmen had injured some one of another tribe he might suffer for it although he had been quite innocent. It was only after man had found a way to keep peace, and had begun to make friends with other groups that he could make great progress in securing a comfortable living.

Mutual
aid

Yet although the clan was too small a group for the best protection and prosperity, we must not forget that it cared well for its members up to the limit of its ability. No one in the clan or tribe was allowed to suffer as long as there was enough food or clothing in the tribe. Among civilized people a family may starve while the man next door wastes enough daily to feed the first family for a month. We aim through our government and through charitable societies to relieve those who are in want; but in every great city there is much suffering in winter. To ask for help is regarded as a sort of confession of failure, and some prefer going without food or fuel to the humiliation of asking aid. The savage doesn't feel that he is begging for a favor; he has a right to his share so long as the supply lasts. Unfortunately if there were drought or failure of game or of a crop, the early group could not usually count

on the help of other tribes. Civilized men can bring grain from all over the world in case a crop fails in one country.

(1) In the small group, like the clan or tribe, the members tended to unite firmly and to have a strong group spirit. They were in some ways more loyal to their group than people today are to their city or country. They might be said to have more "public spirit" than persons in civilized society. The reasons for this come out if we ask what makes school spirit, or team spirit, or club spirit, in fact, group spirit of any kind. We usually find that when we (1) work or play in company, (2) coöperate in behalf of some common object, (3) celebrate in common victories and mourn in common experiences of trouble, we have group spirit. The tribes and clans do all these things. They fight for the clan; they hunt and fish together; they dance and sing together over their success in war or the chase; they mourn together in funeral ceremonies when one of their members dies. And besides all this they do not have so many private interests and so much private property. A civilized man can get on better in his private business if he does not give much time to the public. Sometimes he can make money by driving a sharp bargain with his city or his state. He may be in business partnership with men living in another city. So he is quite likely to find himself drawn in two different directions. The savage is much more bound up with the success and welfare of the clan.

(2) There were no such class divisions in the early group as we find later between kings and subjects, or between nobles and common folk; or as today, between rich and poor, employers and employed. The tribe might make slaves from other tribes, but slavery was

Success in
uniting
with his
fellows

No
class
divisions

not common until man got farther along. The chief division was usually that between older and younger, but this was, of course, constantly shifting, and so did not make fixed classes. Fixed classes, which developed later, by their contrasts make much unhappiness and envy that are escaped by the savage. We do not mind doing without things so much if all share alike.

Group
unity

(3) The group customs and taboos held the members together. The customs seemed more sacred to them than many of our laws seem to us. In some tribes today there is much less crime, less murder, less stealing, less violence than in our great cities. The Hopi Indians live quietly in their villages and manage their members with far less annoyance to their neighbors than do cities of white folk.

Over against these great achievements we must set some of the defects.

Bound by
custom

The great defect of custom was that while it held people together and restrained unruly members it tended to hold every one back. If we do things just as others do, and if we do things just as they have always been done, we certainly shall not get ahead. The savage today who is bound by customs does not make progress. It is likely that our ancestors for a long time suffered from rigid habits of thinking and acting. The phrase "the cake of custom" has been used to denote this condition. It was as though customs hardened into a stiff cake which helped to hold people firmly together and kept them from going to pieces, but also kept them from going ahead.

Too
much
alike

A second defect was that people in such a clan were too much alike. Just as we need to exchange work with one another in order to prosper, so we need to exchange

ideas with one another in order to grow wiser. It stirs us to think when we meet a man from another country, or another line of business, or another political party. When people all did the same thing, and could not mix with strangers, they did not have so much to rouse their minds.

A third defect was that when all in the clan did the same thing there was little chance for any one to develop any special gift or talent; he was obliged to hunt, or make axes or bows or arrows, whether he had any talent for it or not. If a Newton had been born in such a tribe he would not have had a chance to study the movements and laws of the earth and moon. Beethoven could not have had a good opportunity to study music. John Marshall could not have studied law nor Henry Ford made automobiles. There was not much to appeal to a boy's ambition except success in hunting or in fighting. There was still less to appeal to a girl's ambition. There were not many windows through which to look out toward the future.

Because custom was strong and because all did the same things there was not much choice and hence not much liberty. We often speak of savage life as free, because there is no king and no policeman. But this is only one kind of freedom. The most important kind of freedom is to be able to choose among many good opportunities. If I am governed by custom, or habit, or instinct, I have little choice. And if there is only one kind of occupation, one place where I can live, one group that I can belong to, then I have little choice and little freedom.

One other respect in which the early savage was not free was in his lack of knowledge. He was ignorant about the true causes of things that were going on—

day and night, the change of seasons, rain, snow, disease. This made him fearful of the unseen. He was superstitious. When a man was sick he was supposed to be attacked by evil spirits; when things went wrong it was due to bad luck or "bad medicine" of some kind. This made him timid about trying new ways of doing things, and set him on the wrong track when he tried to cure disease. He was likely to pound on a drum to drive away the bad spirit instead of discovering the true cause.

Character
in clan
life

What qualities of character had the man of the clan developed? Evidently there would not be much chance to practise honesty, for there was little trading and no one had much property. But there were other good qualities which we prize today.

Kindness

First was kindness. This word means treating man as though he belonged to your kind, or your kin. The clansman shared with his kin. He protected his kin. He helped his kind. He stood by them. In our present-day life, when we compete with men in business, or live in such great cities that we often do not know our own neighbors, we sometimes forget to be kind. The man of the clan could not forget this. The defect was that he was not kind to people of other groups. Indeed it would have seemed to him quite absurd that he should be. What was needed was that men should learn to show kindness not only to their own kin—Greeks, Jews, Celts, white men—but to all.

Loyalty
to the
group

Close to kindness came loyalty—loyalty to the group. The man of the clan felt that the clan was more important than he was. He must follow its traditions; he must fight for it. Now it is a great thing for any of us to belong to something greater than ourselves. It

makes us larger men and women. For if we are thinking of the group as *our* group, if we make its causes our own, then we somehow for the moment widen out our thought and our sympathy. The early man's group was not a large one, and sometimes the main service it asked of its members was to make a raid upon some other tribe. But it was a school in which man learned to stand by his group.

Third might be mentioned courage. For the clan Courage praised the brave man and ridiculed the coward.

Fourth was respect for the elders. This was very Respect strong in the clan, and many of the customs, such as initiations, were well adapted to cultivate this trait.

These traits belong to what we sometimes call group morals. They represent a great deal that is necessary in the good citizen, but they leave much to be done. For there were three lacks in the life of the man of the clan: First, he lacked knowledge about nature, and Lack of especially knowledge how to use the great forces of knowledge fire, steam, electricity. Science and invention must come to supply this lack.

Second, he lived in too small a group, and did not co-operate enough with his fellows. "Union is strength," is an old proverb. It was proved at first in war; it is only recently that men have come to realize what it means in peace. Now the clan or tribe is an association which is strong as far as it goes, but in one respect it does not go far enough; in other respects it goes too far, that is, it is too intense. Both faults seem to be due to belonging to too small a group and to too few groups.

His group was too small. The people in one clan are suspicious of those in another. They do not trade freely with them. They do not have a common judge Hence clannishness

to settle quarrels, and so they keep up feuds. The tribe is not strong enough to protect its members or to keep order and make the future secure. We have a word, "clannish," which brings out precisely this defect. Clannish people keep too closely together; they do not mix with others and get the stimulus that comes from rubbing shoulders with all sorts of people. Modern business, and modern protection of life and property, extend widely. For many purposes the whole civilized world is one great group.

Too few groups

He belonged to too few groups. His clan was his family, business partnership, church, and political party all in one. It tied him up too tight. The "cake of custom" is likely to become too hard. A modern man by meeting a different set of people in the different groups is continually stimulated. His habits are more likely to get loosened up. He may be "bossed" in his business by a superior, but in his political party he may be a "boss" himself. A woman or man may be under some subjection in the home, but a leader in the church. The greater freedom of today does not come from not being in any group; this leaves any one weak. It comes from belonging to larger and more groups so that one gets help on more sides.

Lack of independence

Third, he followed custom and so did not think for himself. The democracy in which we live today requires us to think and judge for ourselves.

Tasks of progress

The great tasks of progress we can already see dimly will be along three lines: First, discovery and use of the forces of *nature*. This means *science* and *invention*. Second, discovery and use of the forces and values of *human nature*, especially of association,—working together. This also means science and invention, but of a different kind. It means building up

THE CLAN AND ITS CUSTOMS 35

cities and states. Third, the forming of laws and governments which shall maintain liberty, peace, good order, and justice, which shall promote education, intercourse, and communication, and at the same time be the free choice of the people who live under them.

CHAPTER IV

THE NEW GROUPS—SOCIAL CLASSES AND THE GREAT STATE

THE first step above the life of the clan or tribe, which hunted or fished, or fed its flocks, or gathered wild rice or grain wherever it could, was twofold:

(1) Agriculture

(1) Instead of roaming or moving restlessly on where there was game, or where they could escape enemies, clans settled down, and built houses instead of huts or wigwams. They usually settled in villages.

(2) Social classes and the State

(2) Men began to break over the clan boundaries and form larger groups. They did this in two ways: they conquered other groups and made slaves or serfs; they united in larger groups for fighting. These larger groups were not made up on the basis of kinship; they were bands of warriors from several clans. These warriors had to have a leader or king. And out of such bands of warriors and their king came a new kind of grouping of men which we call the State.

Both slavery and states came largely from fighting. It may seem then that it was war that pushed mankind up this next step. It is true that it was by war that men enlarged the clan and made the nation, at the same time making slaves and serfs of those whom they conquered. But the real gain was not due to war. War was a very wasteful way of doing what men might have done more easily by trade and agreement if they had only been wise enough. The real gain was

that *men learned to form larger groups, and to co-operate on a larger scale.*

Let us look further, first at the village group or village community, then at the making of slaves and the making of the state.

When we think of a farm in America we usually think of the farmhouse with its barn, standing alone with no neighbors very near, or at most there may be three or four houses at a cross-roads. But this was not the way those of our American Indians lived who had begun to raise Indian corn. It was not the early plan, and in many parts of Europe it still is not the plan. When in early Europe, Teutons, or Slavs, or Celts, and perhaps before the Celts, still earlier dwellers in Britain began to cultivate the soil, it was probably as kin-groups or clans. In Scotland, Wales, and Ireland the clan life survived long, and Walter Scott tells us of the Highland clans each living in its own glen. Sometimes a clan of English seems to have settled in a neighborhood group. If the clan of Buckings or Birmings or Billings settled in a spot or "home," this would be called Buckingham or Birmingham or Billingham. And the tie of kinship would lead them to build their cottages or houses close together. Then instead of dividing off the land into complete farms, entirely separate, with all of a man's land together, they followed a plan which in many ways was better for pioneers. They set apart one kind of land for plow land, another for grass, and left the rest, "the waste," for pasture. Each man had a share of plow land, a share of grass land, and could pasture his cattle upon the common pasture land. Hence a man's plow land might be in one part of the community's

land, and his grass land some distance away. There are still some signs of the old "common fields" in England with the ridges which marked the borders between the plow lands of the different cottagers. Early settlers in New England brought over some of this community plan. They frequently laid out a "common" like Boston Common, and when they settled a new town, they did not attempt at first to keep their cattle in private pastures. They had brands by which to distinguish their cattle, and then turned them into common pasture or "waste." The village community is still found in Russia. A man does not own his own land; the group owns it and allots shares from time to time to the members to cultivate.

But there would be all sorts of forces at work to bring in neighbors who did not originally belong to the clan. Especially when, as was the case in England, fighting men settled down in a region, there would be more or less mixing of different clans and of the older dwellers in the region. Neighborhood came to be more important than kinship.

If each clan had settled down peacefully in a village by itself, not disturbing its neighbors and not interfered with by other clans, history would have been very different. We can easily see what happened if we look at early settlements in this country. A group of families would settle in a town and stay until their children grew up. If there were two or more sons, either the parents or some of the sons would then push on to a new location farther west. In this country there was plenty of land and this could be done without fighting. Or if the pioneers encountered Indians, the Indians could move back.

In Europe there was no such room. A clan would

on grow to be too numerous for its land and would
gin to crowd upon others. Some, like the Norsemen,
ould seek room by sailing away in ships, plundering,
pturing men for slaves, or settling down in a colony
chance offered. But the greatest tendency was for
veral clans or tribes to unite, make a combined raid,
d thus find new homes. The people whom they con-
quered might either be killed, or taken and sold for
aves, or kept on the land to do the hard work. This
ppened when Israel invaded Palestine, when the
ixons invaded Britain, and once more when the Nor-
ans invaded England. Even among the conquering
ans there would come to be leaders more powerful
han common men. For it seems to be only in rather
small and peaceful clans that there are no classes. To
get a definite picture of how this process of conquering,
d serf or slave making worked out, let us imagine
rselves in England seven or eight hundred years ago.

If you were to go into a village or hamlet in early
ngland, you would find most of the dwellings small
ttagess. But there would be one called the Hall, which
ith its barn and other subordinate buildings would be
uch more spacious, even if it were far from elegant
ccording to modern standards. Here would live some
ne called the lord. Further scattered over the coun-
y would be found castles, still larger and built for
ilitary purposes as well as dwellings. Here is evi-
ently a class of men set apart on some basis. You
ight see in a village in America the same contrast
the size of houses, but it would not mean the same
ing. Today it would mean usually that the man in
e larger house had gained more wealth, by manu-
acturing or trading, and had chosen to buy or build
e larger dwelling. In the eleventh century, it would

How
clans
sought
room

The
Hall
and the
Lord

usually mean that the man in the hall or castle had been a successful soldier, who had helped the king, and had been rewarded by being made a lord with important rights over the village and all the land near by. The modern owner of a large house may own much land, or he may own only a small lot. He may chance to be a judge in his town or county, but the chances are he is not. He may happen to be chosen chairman of the town-meeting if he attends, but the court and town-meeting are not likely to be held in his house, and if he is chairman it is because he is chosen, not because he has a right to be always chairman. Suppose now there is an alarm of war. The dweller in the large house is no more likely than any other to enlist in the army, and if the government should make a "draft," as it is called, of troops, he would be just as likely as any other, but no more likely, to be selected.

The Lord
of the
Manor

In the early English hall or castle the lord was a judge and held the court in his Hall. He presided at the village meetings, for the court was a sort of village meeting rather than what we understand by a court of law. If there was war he was expected to march to the support of the king and to take with him a large number of his "vassals" or servants, all armed and equipped. Finally, although the king was supposed to be the supreme lord or owner of all the land, the lesser lords, who lived in the halls and castles, had rights over the land of their "Manor" or district, and were thus like the king, lords of the land, who later came to be landlords. The dweller in the Hall was therefore a judge, a leader of the military forces, and a landlord.

If you should go into the cottages instead of the hall, you would find that almost all the dwellers had shares

of land. But you would find that whereas they worked for themselves on this land about half the time, they worked the other three days of the week for the lord and received no wages. The women also worked a part of the time at the hall and received no wages. Also, if you suggested to them to give up their farms and move away, you would be surprised to learn that they had no right to do this. And if you saw a bright-looking boy and told him that he ought to study and become a scholar, you would be told that he had no right to do this without the permission of the lord who lived in the hall. People of this sort who were "bound to the land" were called "villeins." They Villeins were half-free, for they worked in part for themselves and had rights in the land; they were seldom sold. But they were not free to leave the Manor, and must work certain days for the lord. In the twelfth and thirteenth centuries the law came to treat them almost as slaves. They made up by far the largest number of the people of England eight hundred years ago. If your ancestors were English, they were probably most of them villeins.

Were there no free men in England except the lords? There were a few, but only a few when William the Conqueror took a kind of census of England in 1086. There were a few of the clergy who as a social class stood close to the gentry. There were a few men who tilled land but could sell it and go where they pleased. There were indeed nearly as many slaves as there were "freemen." The slaves differed from the serfs or villeins in that they did not belong to the land, and might be sold.

The exact numbers of these different classes in England in 1086 can be estimated from the survey which William the Conqueror had made of the land and its

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various kinds of tenants. The book of this survey is called Domesday Book. It shows the following classes:

| | | |
|----------------------------|------------------------------------|-------------------|
| 1. Gentry and Clergy | | 1. |
| Made up of { | Tenants in chief Under tenants | 1,400 7,900 |
| 2. Free holders and Yeomen | | 2. |
| Made up of { | Freemen Socmen | 12,000 23,000 |
| 3. Half-free or Unfree | | 23. |
| Made up of { | Villeins Cottars and Bordars | 169,000 90,000 |
| 4. Slaves | | 2. |

Altogether there were then 284,000 more or less unfree,
44,300 free—about 7 to 1.

The striking thing is that the great majority of people were villeins, bordars (who had smaller plots than the villeins), and cottars (cottage-holders). The main classes were the gentry, who ruled and came next and more to own the land, and the villeins, who were obliged to do the farm work. How can we explain this difference in classes? There was nothing like it in the simple kinship group of the savage.

The
band of
warriors

The great explanation for the difference in class and for the fact that a few men were found ruling over a great number of men, is that a new force has been discovered. We think of steam and electricity as extraordinary forces; and they have worked a great change in modern life. But probably they have far less influence than the force of association or coöperation. The early kin group had a certain degree of coöperation, but the Band of Warriors made a much more powerful kind of group. A small number of trained fighters acting as a compact band could conc-

a far greater number, less united and less well trained. In the ancient world Alexander and his Greeks gave a famous example of what such a band could do under a brilliant leader. Cæsar and his Romans gave another example.

England was conquered several times by successive bands of warriors. The Celts conquered a dark, squat race of earlier people; the Angles and Saxons conquered the Celts; the Danes conquered a considerable part of the Anglo-Saxons; and finally the Normans, who were a sort of high-grade military specialists, made the most thorough conquest of all. What effect would conquest have upon the conquerors and what upon the conquered?

In savage life practically all the men have two occupations: they help get a living by hunting; they protect the group by fighting. A group which has begun to farm and also become somewhat more war-like may still combine getting a living with fighting. Of one German tribe, we read, in Cæsar, that each year half the men cultivated the fields, while the other half was under arms; the next year these groups would change tasks. But history shows that this is not usual. The tendency is for the fighting men to form a separate class and leave most other kinds of work to another class. This was so common in the Old World that when Plato was planning an ideal state he thought the natural main division of classes should be into warriors or defenders, on the one hand, and farmers, mechanics, and traders, on the other. In savage society men usually had the rather exciting work of hunting and fighting; whereas safer, and also, it must be said, less exciting tasks, were left to women. It is highly probable that a specialist in fighting will want to leave such monotonous

The
warrior
class
and the
working
class

and tedious tasks as plowing, and cultivating, and gathering crops to some one else. How can he manage this? The way is simple.

The conquering band of warriors makes slaves or serfs of the conquered and requires them to do the steady, monotonous work. In Africa, Egypt, Babylon, Israel, Greece, Rome, and Western Europe, the story has been similar. For example, in Egypt:

"The stone-cutter, who seeks his living by working in all kinds of durable stone, when at last he has earned something, and his two arms are worn out, he stops; but if at sunrise he remain sitting, his legs are tied to his back. When the (mason's) work is quite finished, if he has bread, he returns home, and his children have been beaten unmercifully (during his absence). The weaver within doors is worse off there than a woman; squatting, his knees against his chest, he does not breathe. If during the day he slackens weaving, he is bound fast as the lotuses of the lake; and it is by giving bread to the doorkeeper that the latter permits him to see the light."*

villeins

But apparently slavery of the extreme type was not the rule in England at the time of the Norman conquest. The more common condition of the conquered Englishmen was that of serfs or villeins, as we have seen in the Domesday Book records. The word commonly used for them was "Native," which would go to show that any "native" Englishman, as distinct from the Norman conqueror, was regarded as unfree. In one respect the life of the villein was not so hard as that of some free persons today, for he had a plot of ground, sometimes as much as thirty acres of plow land, and so was reasonably sure of enough to eat. But, on the other hand, he had not only to work for the lord about half

* Hobhouse, *Morals in Evolution*, p. 284.

his time, but he had also to contribute in various other ways to the lord's property. Moreover he had to attend his lord's courts and if he had any quarrel with his lord, was likely to get the worst of the decision. The fine-sounding provisions of the Magna Carta which guaranteed certain rights to the "free" man were of no help to the villein. He was not free.

The Band of Warriors has thus proved to be a power to make some men lords and others serfs.

CHAPTER V

THE BAND OF WARRIORS AND THE STATE

THE band of warriors did more than make lords and serfs; it made a king, and a state or nation. For in order to succeed the band must act as a team, as one man. And this means that it must be directed by one man who has a plan, and has also the necessary power to have his orders obeyed. When a country has been conquered the leader and his band continue to rule. Together they make up a new kind of group called the *state*. As head of the state the leader is called a *king*.

The
ruling
group

The state with the king at its head is called a "political" society. It is different from the early kinship group with the old men at the head; it is different from the neighborhood group. It is, or rather was, at first a military group; then it undertook to govern. It made governing a business, just as merchants made trading a business or weavers made weaving a business. It did not destroy other groups unless they resisted. It allowed the village to carry on its affairs much as its old customs prescribed; it allowed the villagers to till their lands on the old plan of common fields, provided they also worked for the lord a certain part of the time. And for a long time there was dispute as to just what were its powers and rights with reference to the other great organization of the Middle Ages—the Church.

Because it was at first a ruling group it did not treat all people in the country as citizens. It did not give all people equal rights before the law; far less did it give all people over twenty-one years of age, or even all males over twenty-one, a share in the government. In these respects it was very different from a democratic state of the present time in which the ideal is that all who live in a country (unless citizens of some foreign nation) should have the rights and privileges of citizens. The early state included only a part of the people; later it took in more and more from those groups which were at first outside.

In particular, there were three classes which at first were only partially in the state: the villeins, the clergy, and the merchants. And of course women, with certain very interesting exceptions, were left quite out. They had few rights, and again with interesting exceptions, no share in the government.

(1) The villeins were in one respect directly under Villeins the control of the state: if they committed a crime ^{and the state} they could be punished by the king's courts. But it did not work both ways. The king would not protect them against wrongs unless these amounted to injuries against life or limb. In fact they were not regarded by the lawyers as having any right to own property. There might, however, often be disputes between a villein and his lord as to the amount of service the villein should give, or as to his right to pasture cattle and sheep upon the "commons" or common ground of the manor. Suppose, then, that you are living on a manor as a villein and have such a dispute. Suppose that the lord takes away one of your cows. Or, if you have provoked him, suppose you find yourself even shut out from your house and a servant of the lord

occupying it. What can you do? You might complain at the lord's court; but if the lord himself has put the other man in you will receive little attention. You cannot go to the king's court unless the lord or his man actually has struck you. Much less, of course, will you receive any protection if you are a slave.

Clergy

(2) The priests and "clerks" were in the church, and the church had its own law and own head. It was for a long time a matter of dispute whether the king and his courts had authority over priests in certain cases. For a long time the church had control over wills, marriages, and morals, as well as over heresy, and thus had a certain sphere reserved from the power of the state.

Merchants

(3) Merchants and traders were usually in early times strangers or foreigners. In Athens they were not made citizens, but formed a sort of middle class, neither citizens nor slaves. In England merchants for a long time had laws of their own, distinct from the laws of the land. These laws of the merchants were the customs which had come to be observed by merchants of certain ports. After a time these came to be adopted as a part of the regular laws of the state, but as merchants were often foreigners it was natural to treat them as a different class.

Women

(4) It is scarcely necessary to say that women had little relation to a military state. A wife was supposed to be not under the king's protection, but under the protection of her husband, and a daughter under that of her father. If a vassal died leaving an unmarried daughter she became the ward of his over-lord, or of the king if her father had held his land directly from the king. A married woman for a long time could not own property while her husband was living, though a

widow might manage property. The Abbess of a convent might manage property and send vassals to the king, and thus become a more active member of the state.

Although the state was thus at first a band of warriors with its king, which cared little for villeins and merchants except to squeeze labor or money out of them, and even looked with contempt upon priests as being of no use as fighters, it soon began to change. As we have said, this group made it its business to rule, and the business expanded. The king and his helpers kept doing more and more things and in this way came to have more and more to do with all classes of people. They sometimes put other groups out of business, and sometimes took them into partnership. Little by little the people who at first merely dreaded the king and his court—particularly when these spoke a different language, as the Norman kings did in England—came to look to the king for protection. At first only the warriors were loyal; merchants and villeins had no such feeling and so no such duty. Later, when the villeins gained the stand of freemen and so had more rights, they too could feel loyalty. When merchants were granted favors by the king they were willing to help him with money; they also could be loyal. The boldest step taken in England toward bringing other groups under the state was the act of Henry VIII in putting himself at the head of the Church as well as of the State. The church had come to own a great deal of land. The king took this away and gave it to his supporters.

In this country, except for a short period in some of the first colonies, the state and the churches have

kept fairly separate. The Constitution says that Congress shall have no power to establish a religion. Our fathers knew by experience that it might be dangerous to religious liberty to give the state power of that sort. But in earlier times in Europe the state was eager to control men in every way possible.

But aside from such a great and sudden expanding of the state as taking in the whole church and making a national church out of it, the state kept growing in many ways. The king's courts gained at the expense of other courts; the king received taxes from more people; the king had dealings with the traders; and, most important, the king got together a great meeting of the lords, the clergy, and representatives from the principal communities (shires or counties and boroughs or towns). This last was called a Parliament and came to be, in time, the great governing body of the state in England. Our Congress and state legislatures are, in many respects, copied from it.

The
king's
courts

The way in which the king at the head of his warriors gradually came to control more and more the affairs of all sorts of men is at first surprising. Apparently it was not for the most part because the king or his advisers thought it was right; it seems to have been very largely, first, because it increased the king's power and, second, because it paid. Take, for example, the courts. Besides the king's courts there were also church courts, merchants' courts, and manor courts presided over by the lord of the manor. Fees were collected for hearing cases, and in the case of felonies, such as murder, there was not only damage to be paid to the relatives of the man killed, but a fine to the king. The king constantly endeavored to get as much of all this business as possible because the fees

and fines were profitable. But to hear all the cases would tend to bring more and more people under the king's direct power, and also under the king's protection. More and more people would look to the king as the defender of their rights.

The king took a great interest in promoting trade, and partly for the same reasons that he tried to extend the range of his courts. He wanted to get more money. He got money from both the English and the foreign merchants. The English merchants wanted to have the exclusive right to sell at retail in their own towns. That is, they wanted a monopoly. When the merchants of London or of Bristol or Yarmouth wanted this privilege, they were willing to pay the king money for a charter which would give them a monopoly, except at fairs or with other special limits.

The king promoted trade

On the other hand, the king liked to have foreign trade coming into the country for several reasons. For one thing, he collected a heavy revenue from it, called the customs (and this name is still used for tax on imports). Again, it was thought a good thing for the king and the state to have ships and sailors. One way to encourage shipping was to increase the demand for fish. To bring this about a curious law was passed which ordered all persons to fast on Friday, Saturday, Ember Days, and in Lent—that is, to eat fish instead of meat—under penalty of a fine of ten shillings and ten days' imprisonment. This was declared to be for two reasons: "considering that due and godly abstinence is a means to virtue" and considering also especially that "fishers and men using the trade of living by fishing in the sea may thereby the rather be set on work."

Besides regulating commerce with other countries,

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the king tried to regulate industry inside the country. Some kings brought into the country weavers from other lands who were skilled workers, and thus promoted the development of weaving much faster than the town gilds would have allowed. Gradually, indeed, the old gilds, which were at first chartered by the king and which controlled their own members, were dissolved, and the state itself undertook to regulate the trading, on the one hand, and the workmen on the other. As the state was at first limited to the upper classes, we should expect this regulation of wages to be in the interest of landlords. But the general tendency of the state has been to discourage any intermediate groups which it does not control. And many of the present problems of the state law in relation to corporations and trade unions are affected by this.

coinage

Closely connected with trade was the king's activity in providing coins. For a time this, too, was regarded as a way by which the king might make a profit, and some kings thought it a shrewd scheme to make coins of less than standard weight and pocket the difference in value. Henry VIII was perhaps the worst offender. But it came to be held that to debase the coinage in this way was bad policy. A national system of coins of uniform weight was much better for trade than a system in which each town or district had its own coins. It made for easier coöperation and therefore was a gain when it was finally established.

'axing

Taxing was another way in which the king came to deal with more and more people, and gradually to get the help of more people in governing. At first the king did not raise money by a general tax, as our government raises funds now. The king had a great deal of land, for, of course, when he conquered a country he would

take a large share for himself, or grant it to his followers on condition that they pay him rent or "aids." When the Domesday Book was made, the king of England had over 1,400 manors. And when he went from one of these to another, as he did frequently, it was expected that the people along the route would provide entertainment. As he traveled with a large company, this entertainment was not exactly a pleasure to the hosts. "At the king's approach," wrote an Archbishop, "thanks to this accursed prerogative, there is general consternation; men fly to hide their fowls and eggs; I myself shudder for the people's sake."

Then, too, like every feudal lord, the king collected "aids" from his tenants when the tenant's son was made a knight or his daughter was married. Wedding presents are nowadays sometimes expensive, but if an officer could collect, as the law then fixed it, "twenty shillings from each knight's fee," which would amount to something like one twentieth of the value of all the land, it can be seen that a good haul would result.

Because the king owned so much land, and had these claims to "puryeance" or hospitality, and "aids," it was thought he ought not to demand further taxes. In England it was urged that "the king should live of his own." If the king had been able to do this it might have been very unfortunate. For, although the people objected strongly at times to paying taxes, it was because the king needed more money than his own lands would bring, and was willing to grant privileges in exchange for money that the people were able to gain more and more rights. As it was usually the merchants and town dwellers who had the most money, the king had to consult more and more with these men who had not at first had anything to say about the government

How
taxing
enlarged
the state

of the state. He summoned representatives of the towns as well as of the counties to meet him. He urged them to grant money; they petitioned for relief from various grievances. If the king wanted to get their money he must listen to their petitions. When these petitions were granted, they became laws. In this way the "Parliament," as the gathering of representatives was called, came to have a share in making laws. The state came to include merchants as well as warriors.

CHAPTER VI

THE STATE AS SOURCE OF ORDER, A COMMON LAW, AND PRIVATE PROPERTY IN LAND

TO DAY most of us live without fear of being attacked by raiders from the neighborhood; we do not expect to be robbed when we go on a journey nor to have our homes broken into while we are asleep. We do not carry weapons when we go to our work, and perhaps have two or three armed guards to protect us; nor do we build our houses in such a way that we can command the entrance with a gun. We make windows large enough to let in light instead of making narrow slits in the wall. If we sell goods to a man who refuses to pay, or if we work for a man who does not give us our wages, we can sue him, and if we can make it clear to the judge and jury that the man is attempting to defraud us we may expect that the court will compel him to pay his debt.

All this is part of what we mean by peace and order. It is now so common that we take it as a matter of course. But it has not always been so. It was the state which undertook first to defend the country against foes and raids from without and then to keep peace and maintain good order within. In tracing the progress of the state in performing these tasks, illustrations will be taken chiefly from early England, because our own institutions—our laws and government—came to us largely from that country.

(1) The state gave to its members greater security /

Protection
from
foreign
enemies

from outside enemies. The early clan, as we have seen, tried to protect its members by revenging injuries, and it had customs which kept order among its members. But there was more or less constant quarreling between clans. There was no certainty that a man could harvest his crop. His hut might be burned any night. He dared not go beyond the bounds of his own clan, for then he had no protection. It might seem at first that it would not make things any better to have a king and army, for the king and army were at first really plunderers on a grand scale. Yet, as matters worked out, there was a decided gain. There was still fighting, but the state substituted wars between the fighting specialists for petty feuds. The wars did not discourage all farming nor break up the life of the common man so seriously as did feuds. Trade and travel over a large area would be kept open, even if England was at war with France or Scotland. The king and his band would protect their own country, and they were strong enough to keep out foreign raids and keep down robbers, thieves, and murderers.

The question might indeed be raised: Did it, after all, matter much to the common people whether the king who ruled them called himself king of England or king of France? Was it not as bad to be squeezed by one as to be plundered by the other? When we look back and note how men could get only a little more than they needed for food and shelter; when we consider how little they have had to spend for comforts or for education, and then think what an enormous sum has been used in fighting and in preparation for fighting—it seems as though common men had paid a high price for defense from foreign powers. Indeed, the common people often took little interest in the king's wars. Nevertheless

there is one great difference between being ruled by the king of the country and being raided by a foreign king. Foreigners would come, kill, plunder, and go away with no idea of sparing any one for another raid. The king of the country would wish his people to be at least prosperous enough to increase his power against other kings. And, as a matter of fact, the king came to feel pride in his country. So, although supporting a king was an expensive business, it was apparently the only way to provide security when men were roaming about, looking for plunder, and thinking no more of robbing and killing other groups than of hunting deer or bears.

(2) The state kept order among its subjects and protected them from robbery and violence. In early times in England there was no government strong enough to protect innocent people from being robbed or killed if they went from home or from their town. When the Norman kings conquered England, and began to rule the country far more strictly than any English or Danish king had ruled, one of the first steps was to make order. "The good order that King William made must not be forgotten," said the Peterborough *Chronicle*. "It was such that any man who was himself aught might travel from end to end of the land unharmed; and no man durst kill another, however great the injury which he had received." Order was the first thing to be secured; men could not trade or travel unless they could be safe and keep their goods safe while going from place to place.

The way in which it came about that to kill or rob was thought of as not merely an injury to the victim or his family but also a wrong to the public is very curious. There was an old doctrine that a man had a right to be free from attack in his own house. To

assault him there, was a breach of his peace. The origin of the feeling about this may go clear back to the animal world. A dog, or even so timid a beast as a rabbit, will fight better on his own ground. The aggressor frequently acts as if he knew that he was out of his own bounds.

So the king would have an especial right to have peace in his own house. It was an easy step from this to extend the house that the king lived in to the house or precincts of the king's court; then to the king's highway, to the king's servants, and to the markets held under his protection. Finally, what was a privilege of the few, and of a small region, was held to cover all men and all places in the kingdom. If a man wanted to get the powerful help of the king's courts, he could claim that the king's peace had been broken. This made it far more dangerous to rob and kill. At first this "peace" of the king was supposed to hold only while the king was alive. When a king died there was no king's peace until the new king was crowned. Hence, there was sometimes a sort of "open period" as we say now with reference to shooting game. When Henry I died in 1135 "there was tribulation in the land, for every man that could forthwith robbed another."

Besides punishing crime, the state aimed also in many ways to prevent crime. A curfew law compelled all to cover up their fires and stay in after eight o'clock in the evening. One of the chief means of keeping order was a system of small responsible groups. By an ingenious change of the old principle that a man's kin were responsible, the state required every man, with a few exceptions, to belong to a small group called "frankpledge," or sometimes "tithing," which could be held responsible. When any man was accused of a

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crime and did not appear for trial his titheing had to pay a fine. It can be imagined that the "titheingman," the head of this group of ten or twelve, would keep a close watch over the group. It is interesting that the early New England towns always elected a titheingman whose chief duty seems to have been to keep order in the meeting-house.

(3) The state brought about a Common Law. How Common did it come about that one system of law held for Law the whole country? In early days there were a great many different "customs" of different places or groups, but no single law of the land. A "court" was a sort of town meeting or county meeting. There were no lawyers, no judges, no jury, no witnesses. The meeting voted what should be done. Now the king was a great landholder and also had a great many officers. He, then, held a court just as a lord or sheriff held a court.

If the king could not always hold court himself he had representatives to preside for him. The next step was to send these justices around the country to hold court. So long as each village or county held its own court, it would keep its own customs. The northern part where the Danes settled had a Dane law, the county of Kent had its customs, the West had its customs. Some towns would have special tolls and rules. But when the king's justices judged cases they decided by what they called the custom of England. They followed the same rules, no matter where they were holding court. These rules or customs which were *common* to the whole country were called "common law." The king's courts which worked out this common law had a reason for hearing as many cases as they could. It was so poor a reason that it seems quite un-

dignified, not to say disgraceful. The reason was that it paid. If a man wanted to bring a suit he had to pay a fine, and if a man was found to have broken the peace he had to pay a fine. So the king's court was eager to do a large business.

But if you do not have a monopoly, you cannot have a large business unless you sell what people want. The king's court did not at first have a monopoly even of murder trials. There were other courts. But it was often the case that a man could not get justice in the other courts. Then he would try the king's court, which was often more satisfactory than others. In time it came to be held that any one might purchase a "writ" of the king's court, and by it try to get justice done. Though if a man was not exactly sure what to call the injury that had been done him, he ran a risk of buying the wrong document. It was something like buying shoes for another person without knowing what size would fit. We might think justice should proceed by asking both sides simply to tell their stories, and then having the judge ask questions and decide what is fair. This was not the way the courts got at it. The man who brought the case had to charge the other with some specific kind of wrong, and then prove this. But the important thing was that all the king's subjects had a right to claim his justice.

Why was the common law better than the old customs? There is more *authority* in law. It comes to us now as the command of the whole people. In early times it came as the command of the king. And because the king was usually believed to be appointed by God to rule, his commands were regarded as sacred. This made men more afraid to break the law. With the king's authority back of it, the common law was thus better

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THE STATE AS SOURCE OF ORDER 61

adapted to the larger group. Custom could control small groups who spoke the same language, and were all kin or neighbors. It would not have been equal to the task of controlling large groups made up of different races or tribes, speaking different dialects, not knowing each other, and not having common ancestors or common traditions.

The common law was thus stronger than custom. It was of course likely to favor the king and the ruling class. But there were two forces at work to make it fairer than the customs of smaller groups.

Law
fairer
than
custom

The very fact that it was national helped to make it fairer. If a law is going to affect a whole realm, people will be more careful in making and executing it, and judges under such a law will also be less likely to be influenced by prejudice against enemies, or by favor for their friends.

And another thing that helped was that judges were appointed to give their time and thought to hearing cases and declaring the law. These judges were at first churchmen,—bishops or clerks (as the clergy were then called). They studied not only the customs of England, but the law which the church used. They studied, many of them, the old Roman law which grew up when Rome ruled the civilized world. And they got from this the idea that cases should be decided not only by custom but by what was reasonable as well. So there was a little element of progress along with the idea that the old customs ought not to be changed. Men are so fond of what is old and so fearful of the new that it is very hard to introduce a change in law, even when it is known that the old way began in savage and barbarous days.

The common law became also a defense of liberty.

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It might be supposed that the judges who were appointed by the king would always be on his side, if there was a contest between the king and other parties. But strangely enough they came to think much more of following the rules and customs of the realm than of doing what the king wished. The very fact that the law was common to the whole country made it a stronger defense when men relied upon it to aid them in resisting the king, just as at first it was a stronger instrument for enforcing order. The way in which the jury system came to be introduced will be described in a later chapter. But it may be mentioned here as one of the ways in which the king and the state helped on the cause of liberty, although it was not intended for this purpose and was at first stoutly resisted.

The state had a great deal to do with changing the plan of holding land. The early idea was that of holding land in common by a clan or village. Our present plan is what we call private ownership. Except in such cases as parks, public forests, school grounds, and a few other public plots, all land in this country is privately owned. By the old plan it seemed that no one really had a right to sell land, for this would be depriving the children of the clan of their rights. Today we buy and sell land freely; and this is in many ways an advantage. For it certainly stimulates a man to improve land if he knows that he himself will gain by draining, fencing, and enriching it. Moreover, when land is bought and sold freely it is more likely to get into the hands of men who will make some use of it and will not let it lie idle. How has it come about that we now own land? We

THE STATE AS SOURCE OF ORDER 63

do not talk of owning the air, and a private individual cannot own a navigable river, or a plot on the high seas.

When people lived in kindred groups or clans, Clan especially if they lived a hunting or pastoral life, each group might have a district where it hunted, or gathered fruits, or pastured its flocks. It would keep others out of this district if possible, and feel that it was on its own ground. But the individual members of the clan would not have their separate plots.

When groups settled down to cultivate the land it Village was, as we have seen, the custom to have the plow land in open fields with strips of grass between the holdings of the different dwellers. There was besides this a large area of "waste" which was a common pasture. There was then much land which was simply in common, and some which was "held" by the dwellers in the village community in the sense that they plowed it and harvested it. But they could not have sold it.

When the king and his warriors conquered a country, the king considered that it was his. He appointed his men to rule districts, just as the President of the United States appoints a governor of Alaska. There were two important differences, however. First the duke or baron collected his own pay from those under him. The amount which his tenants were to pay was largely fixed by custom, but he was not limited to a fixed sum. He got what he could, paid over a fixed sum to the king, and kept the rest. It was not the idea at first that he owned the land; he "held" it from the king or from some one superior to himself. In some offices called "fee offices" we still have a survival of the old days when a govern-

Lords
of the
land

ment office was a means of making an indefinite amount of money out of people. In most offices today, however, the officer is paid a fixed salary.

Landlords

The second important difference is that when an American governor or judge dies he is not usually succeeded by his son. Even if the governor has lived in an executive mansion, as the old baron lived in a castle, his family expects to leave it when his term of office expires. On the other hand, the king's officer would in some cases be an old clan chief, and this office was hereditary. Or even if this were not the case, the strong chief would want to hand his power, his castle, and all his possessions down to his son, and as the king himself exercised this right, it was the natural thing for the lords to seek to exercise it also. When the son was already in possession of the castle he would have a decided advantage against other claimants. If the son or heir of the lord should always succeed him it might easily come to be thought that the county in some sense *belonged* to them. When the office of governor or judge is not passed down in this way there is little chance for such an idea. Hence out of these two ideas of being *lord* over the land and of being the *hereditary* lord came the idea that the landlord "owned" the land.

In the earlier years of Norman rule there was a difference between the lord's own "demesneland," from which he had the whole produce, and the parts of the manor which were cultivated by free tenants or by villeins. And there was the "waste" on which both lord and tenants pastured cattle. In one way or another, sometimes by mutual agreement with tenants, sometimes by sheer "grab," the common fields and the "waste" were inclosed. Instead of

ing ruler, the landlord became the private owner. Some land, of course, came into the hands of small owners, but the larger part came under the ownership of the great landlords. In England this has survived in great measure to the present day.

In America we began, for the most part, with private ownership of land, and various laws have since been passed to encourage this. Indeed, it is only recently that we have come to realize that some kinds of land, especially forests, ought to be kept by the public. But I have one reminder of the fact that this owning of land is not absolute. For if the city or town or state nation needs land for public purposes, such as a school, or street, or park, or post office, the land may be taken, even if the owner does not wish to sell. In such case the owner of course must be paid a fair price, but he has to give up the land.

The state which began in such an unpromising fashion, a band of warriors, who were often in plain language robbers or pirates, came thus to be the defender of people against violence, their protector through the common law, and the means of fixing private property in land. The great power of organization and coöperation proved that it could be a benefit to the whole country although it was at first used in the interests of a few.

CHAPTER VII

IDEALS OF THE WARRIOR CLASS, OF KNIGHT AND GENTLEMAN

IT is evident that in such a society of warriors the principal business of life would seem to be fighting. It was not raising grain or breeding sheep or cattle; nor was it trading or manufacturing; nor was it the advance of knowledge or invention. The warriors who made slaves or serfs had found out how to make others work for them. It was far more exciting and interesting to fight or hunt than to plow or tend sheep. It was natural that a band of warriors united closely together, and forming an upper class group should have strong ideas about what a warrior should be and do. It was natural also that they should look down upon common people and slaves. It was natural that men whose chief business was to fight for the king and the state should think that this was the most important thing in the world, and should begrudge any rights or privileges to those who were not in their set. The ideals that such men built up for themselves and passed on to us show a mixture of good and evil. They were good in so far as they really embodied the new power of uniting men with their fellows. They were evil in so far as they went only halfway, relied upon force instead of upon mutual confidence and benefit, and in so far as they were the ideal of a small class only.

These ideals of the warriors were honor, courage,

loyalty, and chivalry. Fine and noble words surely, yet they need scrutiny.

Honor is a word which, in the first place, means, "to Honor esteem" or "to have high regard for." If we choose a man to some high office or trust him as our leader, we do so because we honor him. Then the word comes to mean the qualities for which we esteem or admire any one. What sort of qualities we respect or honor in this way will depend upon who we are. A group of scholars honor a man like Newton or Darwin or Pasteur who shows genius in discovering truth. A group of hunters honor the best shot. A group of foot-ball players honor the quickest, coolest, steadiest, and boldest player. A group of thieves honor the cleverest thief. A group of fighters honor the best fighters. Honor then means excellence in some quality which is admired by some group. The important group at the stage we are now considering was the warrior group—the group of gentry, of knights and ladies. The honor that counted in this group was the honor of a warrior, of a knight, a gentleman, or lady, for the lady though not herself a warrior belonged to the group of warriors and like them looked down upon men and women of lower classes. To understand "honor" we need to know what a group of warriors, knights, and gentlemen would prize most.

First, of course, would come *courage*. The good *Courage* warrior must fear no foe and shrink from no danger. He would not take a "dare." But, it may be asked, why speak of courage as though it were a new thing. Surely it was not invented by warriors. The cavemen who hunted the mammoth and tiger with nothing but stone weapons had courage. The Eskimos who went out upon arctic seas in their canoes to catch seals had courage. Yes, they certainly had. But they did not make this

the one great thing in life. They did not have such a strong group feeling as warriors had, against any act of cowardice or fear. A few men are naturally reckless of any danger. They like risks. But most of us are braver when in company. And when men are trained especially to fight, it becomes second nature to stand up to the enemy, for the very reason that it is hard for any one to break away from his group. By thinking and talking about brave deeds, by praising the heroes and condemning the timid, courage is built up.

We must place it to the credit of the warrior that he trained men to be brave and led a great group of men to praise courage and heroism.

Defects in
the
warrior's
courage

But there were two flaws in the warrior's kind of courage. These were due to the fact that it was the courage of a class. The first was that the warrior's courage was shown in going *with* his group. It usually is far easier to go with our class, our party, our army, than to stand up alone for a cause which is not popular. Yet this kind of courage is often most needed. For, while it is more likely that I am wrong than that a large class or group is wrong, it is to be remembered that practically every reform, every protest against oppression, every struggle for liberty and justice, has begun with one, or with a few who were standing up against the general practice or against the majority of their class. Further, the fact that the warrior always was obeying orders prevented him from thinking for himself:

“Theirs not to reason why,
Theirs not to make reply,
Theirs but to do and die.”

The world needs a good many kinds of men. Sometimes it needs just the soldier's courage. But at other

imes it needs men who do "reason why" and, if need be, will have courage to "make reply" to wrong commands. Our ancestors, in protesting against the king both in England and in America, showed this kind of courage, and it is interesting to note that those who protested were usually not soldiers by profession.

Another defect due to the warrior's class ideal of courage was that it allowed him to be cruel to those of other groups. He often treated them as though they had no rights; and he liked to show his power by torturing as well as killing the conquered. The ancient Assyrians did not feel ashamed, in fact they were proud to tell, of their cruelty to the conquered:

"To the city of Kinabu," says Assur-nasir-pal (883-885 B.C.), "I approached . . . I captured it. Six hundred of their fighting men I slew with the sword, 3000 of their captives I burned with fire. . . . The people of the country of Nirbu encouraged one another . . . the city of Tela was very strong. . . . 3000 of their fighting men I slew with the sword; their spoil, their goods, their oxen and their sheep I carried away; their numerous captives I burned with fire. I captured many of the soldiers alive with the hand. I cut off the hands and feet of some; I cut off the noses, the ears and the fingers of others; the eyes of numerous soldiers I put out."*

The Hebrew, the Greek, the Roman in the ancient world would kill the males and make slaves of the women and children. The English warriors who conquered Britain had no mercy. They killed priests as well as warriors. They were called "seawolves that live on the pillage of the world." The Northmen were among the bravest of warriors, but they were pirates and rob-

* Sayce, *Records of the Past*, ii, pp. 145, 159, etc. Quoted in Hobhouse, *Morals in Evolution*, p. 249.

bers as well who raided the coasts and killed or enslaved peaceful dwellers whom they surprised. Our ancestors learned courage in the school of war, but they learned fierceness and cruelty also.

yalty

Next to courage, Loyalty. To be loyal is to be true to some superior. Or we sometimes speak of being loyal to a party, or to our country, or to a cause. The early men of the clans were loyal to their kinsmen. But, as with courage, so with loyalty; the band of warriors staked everything on this. The great business was fighting, and to fight successfully it was absolutely necessary to obey the leader and to follow him to death, if need be. The whole body of fighting men—the upper class, as contrasted with the serfs or workers—were trained from early years to be loyal to some superior. The plain soldier was a "vassal" of some "lord." There was a solemn public ceremony in which the vassal did *homage*, as it was called; that is, acknowledged that he was the "man" (*homage*, i.e., from the Latin word meaning "man") of the one whom he called his lord. He also swore a solemn oath of *fealty*, that is fidelity. The lord undertook to protect the vassal. It was on this basis that the land was largely held. The lord would let a piece of land to a tenant on condition that the tenant should do homage and swear fealty, that is, be his loyal vassal.

"The tenant stands up with his hands on the gospels and says: 'Hear this, my lord: I will be faithful to you of life and member, goods, chattels, and earthly worship, so help me God and these holy gospels of God.'"

Loyalty to a lord was often stronger than the tie of blood or kindred. An old story in the English Chronicle illustrates this. Cynewulf, king of the West

ns, when with a small company, was beset by a
of his enemies under Cyneheard and wounded to
l. His thanes refused any reparation or quarter,
ought over his body till all were slain but one.
next day a large force gathered to avenge the dead
and rode to where Cyneheard was. Cyneheard
ed them great inducements to have him as king,
told them that kinsmen of theirs were with him
would never leave him. "But they declared that
of their kinsmen could be dearer to them than
lord, and that they would never follow their
slayer. And they offered their kinsmen to let
go safe. But the men with Cyneheard said that
would not do otherwise than those that had fallen
the king. So they fought about the gate till the
ers broke in and slew Cyneheard and all with him
one who was Osric's godson and he had many
ds."

Loyalty, as a warrior ideal, like courage, had its Defects in
For it was the loyalty of a class, and loyalty loyalty
person, not to a cause. It did not aim to unite
under a cause that all could follow. To be loyal
ie lord meant sometimes to help the lord oppress
illeins. To be loyal to the king meant to fight
ist other men just because the king had a quarrel.
ually men changed the object of devotion from
ing or the lord to the country, or to some cause
iberty or justice or truth. When we can be loyal
me one who leads us in the right direction, so as
cure good things that we could not secure without
wing a leader and working under him, then it is a
did quality. But we need first to make sure of
cause. The colonists who remained faithful to
George III at the time of the American Revolu-

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tion were called loyalists. Most of us now think that the king in this case was opposing liberty and that those who were disloyal to him were in the right.

Chivalry combined the courage of the warrior and the loyalty of the vassal with something finer and broader. The knight was brought up to be faithful to his superior; he was also to be a brave warrior. But he was not loyal just to his superior, nor did he fight with the single idea of conquering, no matter how. The true knight must protect the weak. He must be especially courteous to ladies and help them in distress. If a woman were ill treated it was the part of the knight to right her wrongs. Walter Scott represented the knight Ivanhoe as undertaking the cause of the Jewess Rebecca who had been accused of witchcraft. When a knight fought he must fight fair. He must be generous to his defeated foe, not kill him after he had yielded. To make a slave of his prisoner, or of ladies whom he might capture would be contrary to his ideals. The knight indeed took vows, much as the priest took vows. When he was made a knight he handed over his sword to a priest who blessed it and gave it back. Chaucer describes a knight who "loved chivalrie, truthe and honour, freedom and curtoisie." He was a valiant fighter and yet he did not boast or abuse.

"He nevere yet no vileyne ne sayd:
In all his lyf, unto no manner wight."

Chevalier Bayard was a French type of the perfect knight, a gallant fighter for country, a passionate admirer of justice, "*sans peur et sans reproche*,"—without fear and without reproach. Later changes in the social order made the outer forms of chivalry as empty and meaningless as Don Quixote's charging the windmill.

While the institution of knighthood passed away except as a form, generosity to the unfortunate, an ideal which knighthood had taught, survived as a fine tradition. Sir Philip Sidney, dying on the field of Zutphen in 1586, declined the offered drink of water, and passed the flask to a soldier lying mortally wounded beside him, saying "Thy necessity is greater than mine." In the battle of Santiago, when a Spanish battleship was burning and sinking, the American sailors began to cheer in victory, but Captain Philip saw Spanish sailors wounded, struggling in the waters, and called to his men, "Don't cheer, boys, the poor fellows are dying." This was the finest chivalry.

Finally we notice the ideal of the gentleman. Today ~~The~~ no one likes to be told, "you are no gentleman." Yet ~~gentleman~~ it is not long since only a few were regarded as gentlemen. It is one of the words that at first applied to a select class. Then it came to stand for the qualities which that class had or ought to have. Finally when men became more democratic, they began to think that any one might be a gentleman if he had the right qualities. In this respect it is something like the word "kind" which we saw at first was applied only to the way in which a man treated his own kin. Then it came to be thought right to be kind to all. The word gentleman was at first an exclusive word, a word meaning "upper class," and especially "military upper class." The word "lady" corresponded to the word "gentleman," but in recent times it has not succeeded as well in taking on new meaning. It is largely a polite term.

The word gentleman is from the Latin word "*gens*," which means "family" or "stock." In Rome the

Meaning
of the
word

Two
classes
of men

prominent men all belonged to certain great families or clans which had been the nucleus of the city. Julius Cæsar belonged to the Julian gens. Those who did not belong to any of these families were plebeians, and were regarded as inferior. The "first families," or *gentes*, doubtless owed their position in the first place to the fact that they were the best fighters. In the Middle Ages there was, as we have seen, a great division into two classes: the warriors and their families were in one class and were called "noble," or *nobiles* in Latin; the villeins, citizens of towns, traders, craftsmen, and laborers were in the other class and were called "ignoble," or *ignobiles*. A warrior in battle wore a special sign upon his armor to show who he was, and it later came to be regarded as necessary for a gentleman to have a coat of arms. Certain men who did not originally belong to the class of gentry might enter it. In Shakespeare's time a student of law, or liberal sciences, a captain in war, or good adviser of the state who could afford to live without manual labor and keep up a good appearance might have a coat of arms granted him, "be called master, which is the title that men give to esquires and gentlemen, and be reputed for a gentleman ever after." Shakespeare became a gentleman instead of a "vagabond" in this way. A little later Daniel Defoe, who wrote *Robinson Crusoe*, tells us that although a tradesman could not be a gentleman, he might buy land and then his sons could be gentlemen. The title of "master" referred to above has now come to be pronounced "mister" and used to address almost any man. But among the early settlers in this country it was not so generally applied. The writer's great-grandfather at the time of the Revolution signed his name, "William Tufts, gentleman," while his brother

signed his, "John Tufts, yeoman." As both brothers were farmers, it seems likely that William signed himself "gentleman" because he was an officer in the army.

It was natural that the gentry should expect a certain standard of their class. Every group tends to do this, and we have seen how chivalry or knighthood set up a very definite ideal for all its members. The gentleman was expected to act like a member of his class. He was expected, as becomes a military class, to be brave. His word of honor always had to be taken as true. If his word was doubted, he was expected to fight to prove that he was right. He was expected to be ready to fight a duel if any one of his own class challenged him, because this was the way to maintain his "honor," that is, his reputation as belonging to the upper class of fighters. He dared not do manual labor, for this was the sign of the lower class of villeins or slaves who were not fighters. To "spend money like a gentleman" implied that you did not think of money or care for it—as perhaps a merchant or a poor man would care for it. A gentleman was expected to pay gambling debts to those of his own class, for these were debts of honor, but he did not need to be so particular about paying his landlady, or his washerwoman, or his tailor, for these belonged to a lower class. He must treat a "lady" with respect and politeness, for she was of his class. He might deceive a girl of lower rank or treat her outrageously without feeling that he had done anything unworthy of a gentleman.

A lady of course was not expected to be brave; indeed it was unladylike to be strong minded or independent. She was expected to be scrupulously dignified, careful in her manners, not too free with men; and like the gentleman, she dared not do servile labor,

The
standard
of the
gentleman

though certain kinds of fine needlework and housework were not disgraceful.

"Gentleman" and "lady" have then their good and their bad elements, which are due to their origin as class words. Part of the good and bad points go with belonging to any kind of group or class; part of them are due to the particular kind of class which was made up of gentlemen and ladies.

Group standards

To belong to any group means that we must conform to what the group stands for. If we belong to a club we must keep the rules. If we belong to a church we know that this ought to make a difference in our conduct. A member of a school cannot behave exactly as though he were not a member of it. As members of any group we cannot do just exactly as we may fancy, or just as our first impulse may prompt us; we must stop and think. We saw how the clan had customs for its members which they had to follow. And we saw that they were chiefly customs that prescribed how to behave toward other members of the clan; we saw that the important custom for dealing with outsiders was blood revenge. In the case of such a group as the gentry which lived among other people they would be more constantly reminded of their own standards by contrast with the common people. They felt so proud to belong to the gentry class that its rules had a very strong hold upon them. The French had a phrase for this, *noblesse oblige*, to belong to the nobility has its obligations. The rules of this class became what we call a code, that is, a system of rules or standards that all in the class should obey.

Noblesse oblige

Besides this feeling of obligation is the feeling that *in your group* all are equal or nearly so. You are but

one; you must consider the rest. One of the marks of what we now call a true gentleman is his consideration of others. It is a mark of good manners neither to cringe or be embarrassed before others, nor to put on airs of superiority. We can show respect to age or learning or genuine ability of any sort without losing our self-respect. This trait of the gentleman was at first shown only toward his own class; with the growth of democracy we have learned that it need not be so limited. We believe him to be the finest type of gentleman who treats all men with respect for their good qualities, and (perhaps this is the finest touch of all) treats men as though he assumed them to be worthy of respect even when they forget themselves and do not treat themselves with respect. A true gentleman will not treat a woman with disrespect.

More particularly, membership in an upper class based not on wealth but on military or political power has given rise to three traits. The first is a certain dignity and sense of balance or fitness. A gentleman would not make his clothes showy, for this would look as though the clothes were more important than the man who wears them. He would not make his house or its furnishings impressive by their costliness so much as by their fitness, for he does not value money as highly as skill. He would not boast, or speak loudly, for such conduct seems to indicate that he is not sure of himself, or is not sure that others will appreciate him unless he calls attention to himself. He would not break his word, for this would seem to show either that he did not know what he was doing when he gave it or else was too weak or fearful to carry out what he promised.

The second trait was not so fine. As a member of

Gentlemen
are
equal

Dueling

a superior fighting class he scorned to submit to those laws which he considered were meant for common people. He insisted on fighting duels if he conceived that his honor had been insulted, and this is still regarded in some countries of Europe as the only course open for a gentleman. In the early years of this country dueling was not uncommon, but when Alexander Hamilton, who had been one of our most prominent statesmen, was killed in a duel by Aaron Burr, there was a great outburst of condemnation for the practice.

Contempt
for
labor

A third trait already mentioned was that the gentleman despised manual labor because this was done by peasants; he also despised trade because shop keeping or bargaining was a lower class occupation. This contempt naturally called out angry feeling in the despised classes. An early rhyme runs:

“ When Adam delved and Eve span,
Who was then the gentleman? ”

Gentleman
and
pioneer

But it was the life of the emigrants and pioneers in America that did most to break down the idea in this country that the gentleman must do no work with his hands. Few indeed of the colonists were of the gentry, though there were more in Virginia and South Carolina than in the other colonies. But life in the new country—clearing forests, building houses, plowing and harvesting—was not fitted to keep up a separate class. All worked with axe and hoe and scythe, and then all met in town meeting—at least in some of the colonies—to govern. The real business of living had then little place for the man who despised work. The gentleman had to prove his title in other ways.

This description of the ideals and traits of the warriors, knight and gentleman, has been drawn chiefly

Western Europe, for that is where most of our stories lived, and it was from England that our early settlers in America brought not only their language but their laws and ideals. Yet it is of interest to note that Greece and Japan have had very similar histories with similar ideals. The Japanese in fact have had a code, *Bushido*, which, like chivalry, means the code of conduct of those who ride on horses. It emphasized loyalty above everything else. Indeed, a Japanese knight regarded it as a fine example of devotion to put himself to death when his lord died.

courage, loyalty, protection for the weak, chivalry toward women, courtesy, a sense of honor, considera-

for others—these are the ideals which we owe mainly to the Middle Ages, ideals which we ought not forget, any more than we should forget its wonderful cathedrals, or its beginnings of law and justice. On the other hand, class pride, exclusiveness, contempt for labor, and for those not in our set, have no place in democracy.

A final word on the influence of class is suggested by one of our words of reproach. One of the worst things to say of a man is to call him a "villain," which originally meant the unfree tenant on the manor. We still spell the word in one meaning "villain," and in another "villein," but there used to be no difference. "Knaves" meant just a servant, a "blackguard" or one who guarded kettles, a "rascal" one of common herd, and "vulgar" what was characteristic of common people. No doubt the common people were in many respects inferior to the gentry. In some ways they may have been naturally slower and less intelligent. Their hard work and meager opportunities would keep them down. But to lump them all as a

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class and think of a man as a "villain" or a "wretch" just because the gentleman or his ancestor had conquered him and shoved him down shows the bad effects of class pride.

Gentleman
and
labor

It is class which more than anything else makes the difference in our standards about work and wealth. No one feels it a disgrace to work if all work. No one feels it a disgrace to be poor if all are poor. This has been the case over and over in American life in frontier communities. But when one class feels that the only worthy business is to fight, govern, and hunt, then labor becomes a mark of an inferior class. When one is rich and on that account has the right to the service of the other, then the upper class feels proud and the lower feels oppressed. At first the difference may be accepted as the outcome of a war in which the weaker has been beaten. But after several generations, it seems to be purely the accident of birth, and then, if possible, it becomes worse than at first. At least it seems more difficult to justify, for the warrior at least had to have some energy and take some risks. The man who belongs to a class merely because he inherits money or a title does not necessarily have either brains or courage. The spirit of democracy is opposed to this kind of class distinction.

CHAPTER VIII

THE NEW COÖPERATION: TOWN LIFE, TRADE, CRAFTS

AFTER agriculture, the next great step in the way of getting a living was by trade and handicrafts. Trade and handicrafts flourish best in towns and cities. Here then are three new things which go together: trade, handicraft, town life.

These three things made two great social changes. Before the rise of towns, and of trade, and of handicraft, there were chiefly two great classes: warriors and farm laborers, or gentry and peasants. The merchants and craftsmen—tailors, weavers, smiths, carpenters—belonged to neither of the two old classes. They made a new *middle class*. This was a step toward democracy. And another social change was that living together in towns meant a new kind of *union or society*.

One way of looking at these changes is to think of them as coming from a new kind of coöperation—co-operation by exchanging goods. The clan would not have a variety of products to exchange, as would merchants coming from different places. Exchange of goods means that some merchants and craftsmen travel or send their products from town to town, or country to country; at the same time it means that some set up their shops and live together in towns. Coöperation by exchange of goods, and the living together in towns and cities which goes with the coöperation, bring about exchange of ideas as well as of goods. They

The new
coöpera-
tion

waken new wants and kindle ambitions, for people like to have what they see others have; they call out skill in various arts to supply the new desires; they create a new power of wealth and a new social class; they give rise to demands for liberty, and afford the means for backing up the demands. Finally coöperation by exchange leads men to think of what is honest and fair, for in exchange men do not, as in war, simply seize and rob; they expect to give in return.

The early clan gave a kind of coöperation, but we saw that it tied men together too tightly, in some respects, and made too small a group. The king and his warriors had shown the power of coöperation for fighting. The great bands of English and Danes had been too strong for the Britons scattered about as they were. William the Conqueror had been too strong for the English because he had his Normans better organized, and after he had won the first battle the English could not get together a large enough force to oppose him. How could one lord keep a great number of peasants and serfs in subjection? Simply because he had a few trained warriors and could at short notice get the help of other lords or the king, whereas the peasants in one little village had no way of planning with peasants in another village so as to get together a large force. The towns showed what those who were not mainly soldiers could do by planning and acting together. Of course the towns-people sometimes had fighting to do, but this was not their main business. In the long run their wealth proved a better defense than their walls.

The king and his warriors had helped to prepare the way for these benefits. For the king and his warriors made a state. The state with its officers and

courts brought order and safety, and broke down the barriers between clans and neighborhood communities. This paved the way for trade and various kinds of handicrafts. Moreover, the king usually favored the towns directly, for we have seen that it was to the advantage of the state to have trade and towns flourish.

But, on the other hand, the king did not like to have the towns become too strong. He wanted them to remain in subjection to him. And what was true of the king was likely to be still more true of the baron or bishop, who might be the immediate lord over the town. There were frequent contests between towns and lords, in which the towns struggled to secure greater liberties. It was a struggle of the new societies built up by trade and wealth against the old unions built up by fighters.

We begin to see, then, that town life was a great advance, not only in getting a living, but in affording the opportunity for living well, inasmuch as it taught men how to unite for peace and for liberty, and stimulated them to greater skill in art.

What was the chief factor in the founding and Towns growth of towns? Did trade start the town or did people get together for some other reason and the trade spring up because the people were there? It seems probable that different towns began in different ways. A few like Chester, or Manchester, or Leicester, seem to have begun as Roman "camps" (*castra*). Some apparently grew up about markets, or fairs. Some were fishing towns, like Sandwich or Norwich. But practically all combined two features—defense and Defense trade. They were commonly called boroughs or burgs (Peterborough, Edinburg, Canterbury), and a "burg" means originally a fortified place. A few cities, such

as Chester in England and Nuremberg in Germany, still have the old walls that were built for defense. The walls might be strengthened by towers and a moat outside. Most of the dwellers at first cultivated their strip of land outside of the walls, just as peasants. And the towns, like the villages, were subject to some lord. If the lord lived within the town his castle was likely to be on a rock or hill if there was one, as in Edinburg. The dwellers in the burg—or burghers, as they were called—had of course to defend the walls if attacked, and some who did not live within the walls had the right to come in when there was danger. Hence burghers had to keep arms and learn how to use them.

Trade

But besides the wall which served for the military aid of the town there was usually the market place—a large open space where wares of all kinds could be taken for exchange or sale. These wares would be partly farm products, such as butter, eggs, cheese, poultry, partly articles made by craftsmen, as linen or bread. But in time it was natural that craftsmen should more and more settle in the towns. For one thing, it was the custom to give the craftsmen of a town the exclusive right to sell in that town. A weaver or saddler from another town would not be allowed to sell if there was a man of that trade living in the place.

The trade was largely direct, from producer to consumer. That is, the farmer did not usually sell to a grocer or butcher and he in turn to customers. The farmer brought his butter or poultry to the market place and the housewife went there to buy. It was even at times forbidden by law to buy provisions before they came into the market, or to buy and sell them again at a profit. It was thought that such practices would make them dearer. But there were of course

some articles not produced in the region. Foreign merchants would bring many goods. The more common kinds would be (1) spices and southern fruits, (2) dried and salted fish, (3) furs, (4) fine cloths, (5) wines. The rich people would buy a year's supply at a time. The poor could not afford this, and a retail trade to accommodate them with small amounts existed before there was wholesale trade—grocers, peddlers, and cloth dealers were among the earliest of retail traders. Traders, then, were the first important group in the towns.

The second important group in the towns were the *Crafts* craftsmen. There were of course, on the larger manors, carpenters, smiths, and other men who could make shoes and perform the various tasks needed wherever there is a considerable number of people; but in the towns the craftsmen had the chance to develop greater skill and form an important group by themselves. They developed a plan of work which is called the "method of handicraft," which largely took the place of the older method of domestic work and to some extent also of wage work. In domestic work the farmers or housewives made tools, wagons, shoes, and cloths in their own houses. There was no "capital," no "wages," no "laborer," no "exchange." In wage work, the ordinary plan was for the craftsman, carpenter, shoemaker, tailor, to go to the house of the customer who provided the raw material and hired the worker by the day. In this stage no risk was taken by any one and no corresponding profit gained by buying and selling. The raw material was owned by the same man all the time until it was ready for his use. In the method of handicraft the craftsman, instead of going to the customer's house and using the customer's lumber or

cloth or leather, had his own shop, bought his own materials, and either made articles to order or carried them to market for sale. Custom tailors, small bake shops, and milliners follow this plan today. By it the workman gets both a return for his labor and also a return for his skill in buying material and using it in the best way. He gets both a wage and a profit. This kind of work flourished until the great discoveries of steam power and machinery.

Evidently this method of handicraft tended to make a new class of fairly independent people. By the house-work plan, only the landowner was independent. He produced the raw material, and kept control of it until he used it, getting it worked up by slaves, or by serfs, or by hired workmen. With the handicraft plan a new independent class was formed, namely, those who buy the raw material, work it up, and sell to customers or at markets. This became a third great factor in building up town life and free citizens.

Gilds

Besides the union of the towns-people in a "borough," the merchants and craftsmen of most towns united in societies called "gilds." Much about the origin of these gilds is obscure. In early times in England, before the Norman Conquest, there had been brotherhoods called gilds which had various purposes, such as helping to pay the *wergeld* or blood money that would be assessed upon a man for killing some one, or helping to pay for losses, or to bury the dead, or to aid in distress of any kind. They had gild halls for meetings, held periodical banquets, and provided for prayers to be offered for dead members.

Later, when traders and craftsmen began to increase in towns, it was natural that they, too, should form such brotherhoods. The earliest of these traders' and

craftsmen's gilds was called the gild merchant. It included both merchants and craftsmen. It was granted a charter from the king which gave it a virtual monopoly of the trade of the town. The members of the gild could buy and sell freely, whereas other traders had to pay for the privilege of buying and selling, and even then were under close restrictions.

"Being asked what liberties they claim to have pertaining to the aforesaid Gild (of Newcastle) they say that no one unless he should be of the liberty of the Gild can cut cloth to sell in the town, nor cut up meat and fish, nor buy fresh leather, nor purchase wool by the fleece, except by great weight (wholesale)." So too at Chester the member of the Gild "can buy within the liberty of the said city, all kinds of wares coming to that city by sea or land, without paying any fine thereon; and that no one who is not admitted into the said Gild can buy anything within the liberty of the said city without the license and assent of the said stewards."

On the other hand, gild members had to pay assessments, "to be in scot and lot" as it was termed, and they had a fine system of mutual help. Among the rules of a gild at Lynn were the following:

If any of the brethren shall fall into poverty, or misery, all the brethren are to assist him by common consent out of the chattels of the house, or fraternity, or of their proper own.

If any brother should be impleaded, either within Lenne or without, the brethren there present ought to assist him in their council, if they are called, to stand with him and counsel him without any costs; and if they do not, they are to forfeit 32 pence.

If any one should sleep at the gild, either at the general meeting or at their feasts and drinking, he is to forfeit 4 pence.

If any one turns him rudely to his brother, or calls him by any rude name, (he is) to be amerced 4 pence.

If any poor brother shall dye, the alderman and brethren shall see that his body be honourably buried, of the goods, or chattels of the house, or out of alms, if he has not wherewith to bury himself.*

It will be noticed that the gild, like the old clan, or the state, was good to those within, but quite indifferent or hostile to those without. But at least it made a new kind of a "we-group." And it secured many privileges for its members which for a time, at least, helped the members, although it was often so selfish as to be shortsighted.

Later, besides the gild merchant, which included both merchants and craftsmen, separate gilds or "companies" were formed by those belonging to special crafts. Thus at Andover sixty-one particular trades are enumerated. In some countries of Europe these craft gilds had violent struggles with the rich rulers of the towns. And still later there were, in Germany especially, divisions in the craft gilds between the "masters," or employing members, and journeymen, or workers. All classes were thus finding out the power of union. They were in training for democracy.

* Groos, *The Gild Merchant*, vol. II, pp. 161-162.

CHAPTER IX

EFFECTS OF THE NEW COÖPERATION: WEALTH, SKILL, A MIDDLE CLASS, A NEW IDEAL

UT of town life with its trade, its crafts, its middle class, and its new powers of united action came three kinds of gains: *wealth and comfort; knowledge and skill; liberty*, and ideals of *nesty and of the dignity of labor.*

It is easy for us to see why trade and exchange of Increase
things produces wealth, and usually means a gain for of
those concerned. For it makes it possible for men to do wealth
different kinds of work, according to their various
abilities. In this way, if each man does what he can do
best, there ought to be more grain grown, better houses
built, better clothes made. It also gives a chance for
people in one place to get the advantage of metals,
stones, foods, and all sorts of articles produced in
other places, and thus to exchange what they have a
surplus of for what they lack.

Exchanges were at first made largely at fairs and markets. The towns were a sort of continuous market where buyers and sellers could always find each other. Wealth tended to accumulate in towns not only because merchants often made large profits on trade with distant countries, but also because in towns were made the fine cloth, the jewels, the other luxuries, which the rich lords and their ladies sought. The lords exacted rent and labor and dues of various sorts from their villeins.

They had all the necessaries of life produced or made on their own estates. Their surplus of cattle or wheat or salt they could exchange for fine clothing and ornaments. The substantial houses, and especially the beautiful gild houses of many of the towns, showed that in this exchange the burghers got their share of gain. Increase of wealth, like increase of power through military coöperation, may be misused, but it is none the less a great gain for more men to have the power to live comfortably and independently.

Increase
in skill

Men in towns had a better chance to become skilful. In a village or on a manor there would be one smith or carpenter, and perhaps several who could do weaving or shoe-making, but there would not be the chance for one man to get ideas from others that there would be in a town where there could be several men plying each kind of trade. And in a village it would be seldom the case that a man could work at one trade steadily; there would not be demand enough to keep him busy. So he would not have a chance to become so expert as the town mechanic who would be in demand all the time. The town then *favored division of labor and tended to make expert craftsmen.*

The increase of wealth in towns and of skill among craftsmen together made possible beautiful buildings, paintings, and sculpture. The *motives* for building great or fine buildings or making various beautiful and useful articles might have nothing to do with trade or town life, but the skilled workmen were almost sure to be found in the towns and the wealth with which to employ them was likely to be there also. Thus it was religion which prompted Solomon to build his temple, but he had to send to Tyre for skilled masons and carpenters. So the beautiful cathedrals which were

built during the Middle Ages were built for religion, but they were built in towns of some importance. The very numbers of people made a difference in the size and grandeur of the building. So the beautiful temples and statues of the Greeks were largely for their cities.

Growth of towns and growth of trade favored knowledge directly. Any one who lives entirely by himself is usually satisfied to remain at about the same stage of knowledge. So any small group or even a whole people, if cut off from intercourse with other people, is apt to settle down in its own ways of thinking and living, and regard these as best. We fall into a rut, as the phrase goes, unless we in some way meet other people, or learn about their ideas and ways of living. Nowadays, books, magazines, and newspapers keep us informed of what goes on elsewhere. But before printing was known people were generally dependent upon traders, soldiers from foreign wars, or wayfarers to carry news. And of these, traders were probably the most important. More than the others, they helped to give people new wants, and so to raise their standards of living. As compared with soldiers, they tended to break down the old suspicions which in the tribal life always made a wall between people. And town life, where people from different places meet, tends also to break down old traditions which are a sort of weight on progress. If today you want to find traces of old customs and beliefs you look in country places.

It is interesting, too, to see how some of our branches of science grew out of the needs of trade. Geography was of course necessary. Arithmetic was closely connected with trade and industry. Some of the "measures" in arithmetic—furlongs, acres, roods,

Increase
in
knowledge

rods—grew up with farming, but various kinds of weights—Avoirdupois and Troy—and liquid measures, the processes of measuring lumber and computing percentage and interest, were due to the needs of buyers and sellers, borrowers and lenders. Indeed, arithmetic was in early days in this country regarded as so "commercial" a subject that it was not taught in the "grammar schools" which fitted boys for college. Further, it was necessary for the trader in ships to study the sky; and although astronomy began earlier, it was among such a trading people as the Greeks that it made its greatest advance in early times. It is interesting, too, that our alphabet came from the great traders, the Phoenicians, and it was from them that the Greeks learned it and passed it on to Rome and through Rome to us.

It was indeed in the trading cities of Greece that science had its greatest growth in the Old World, and while we cannot say that trade deserved the credit for the wonderful genius of such men as Euclid, the geometer, or Democritus, Socrates, Plato and Aristotle, the philosophers, or Thales, who foretold an eclipse, yet the general exchange of thought and knowledge which trade favored had much to do with giving opportunity for science to develop.

Defects
in
knowledge

It is in some respects surprising that there was so much ignorance in some matters in the mediæval towns where there was such knowledge, taste, and skill in other matters. The cathedrals, the castles, the furnishings and carvings, the glass of early times were wonderful. On the other hand, men believed in magic and astrology. In medicine their remedies were often more dangerous than the disease; and they had almost no knowledge of chemistry which is so important today. One great

discovery was indeed made which helped to upset the whole scheme of castles, walls, and armor. This was gunpowder. It helped to put the common man on a level in war with the armed knight, and so to break down the power of the fighting class.

Town life, trade, and handicraft made a great change in social classes. The earlier division had been into Fighters and Workers, or into Free and Unfree, or into Gentry and Peasant. This growth of towns with their traders and craftsmen made a new class who were neither gentry nor peasants. They were free, but their strength was not in their land as with some of the free yeomen; it was in the wealth they gained through trade or skill, and in their union in town or gild. The wealth of the gentry was in land and was largely due to conquest or birth. The wealth of the burghers or town dwellers was due chiefly to their labor or shrewdness. This gave a field for a new kind of ability to show itself. Before this the chief rewards had been for brave fighters or capable rulers. In the church there had also been an opportunity for scholars, and administrators as well as preachers. But now there was an opportunity for the capable merchant and skilled craftsman. In Italy, in Germany, in France, in the Netherlands, and in England this *Middle Class* arose.

But we must not think that every one could enter this class. In the first place, no one from the gentry could enter it, for trade or any kind of manual labor was looked upon as a disgrace for a gentleman. Nevertheless from our present point of view we can see why to be kept out of trade was really a limitation for the gentleman, even though he did not think of it as such.

Rise
of the
middle
class

For many who made very poor fighters or priests might have made good traders or craftsmen. The great means of developing a man is to give him a chance to do what he can do best.

But the middle class itself made the greatest restrictions. As we have seen, the gilds were strict in their rules, and tended to become exclusive. They bought their privileges at a high price. They did not propose to give them away, especially if giving them away was liable to reduce their value. They did not believe in "open shops." Hence the system was a comfortable one for those who were in it, but only a limited number could share its benefits.

Towns were able to secure greater liberty for their citizens than the peasants or villagers had enjoyed. This was due largely to two facts. First the town dwellers became used to acting together. They defended their walls, they made rules for markets and trading, and hence they were able to stand together against baron or king. In the second place, they had more wealth than peasants or villagers had, and so when they wanted a new privilege they could pay for it. It may seem disgraceful to us that liberty should have to be bought. If we wanted a just law or fair treatment we should think it shameful if we had to pay a legislature or a judge to grant this to us. But the liberties which the towns got in return for grants of money were not thought of as *rights*, which any one might feel justly belonged to him. They were rather *privileges*, special privileges, which had to be secured by a bargain. The course of progress has frequently been that some class or group or place would get a privilege for itself alone; then others would claim the same until it became at last a right for all. This has been conspicu-

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ously the case with education; for universities, colleges, and even more elementary schools have usually been established at first for special classes or groups; later they have been open to all.

CHAPTER X

NEW IDEALS AND STANDARDS: DIGNITY OF LABOR; HONESTY AND FAIRNESS

WE saw that the ideals of the military state were those of the gentleman, and that in early times it was not the thing for a gentleman to engage in trade or in manual labor. Town life did much to set up a new standard on this point; it did much to make work of any kind respected and even honorable.

Why
labor and
trade
were not
honored

To appreciate the full meaning of the change in men's ideas about work we must recall, first, that in savage life a large number of the crafts were carried on largely by women, and that at a later stage these and many of the new kinds of manual labor were allotted to slaves. We must recall, secondly, that in the ancient world trading was often done by foreigners who were not admitted to citizenship but formed a separate class. The citizens were warriors or descendants of warriors; merchants were neither.

In the Middle Ages the church had many communities of monks who were very industrious. They tilled the fields and set an example of regular employment at manual labor. This counted a little as against the attitude of the gentry. But it may be doubted whether the example of the monks would ever have been very successful in persuading men that work was honorable for those outside the cloister as well as for those inside. It needed a new class of men who should be workers,

who at the same time should have power enough to make themselves respected. The rise of the middle class in the towns met this need.

lords and gentlemen had been the sole rulers in mediæval towns, as they were in the towns of Rome, then traders and craftsmen might have looked to them as the only respectable people and have looked on their own trade and labor as disgraceful.

How the new middle class changed this

people are very likely to look on even their own work through the spectacles of those who seem to be higher in the social scale. But many of the mediæval gilds were founded by traders, and in others the traders

craftsmen gained strength enough to get control of the government. The gilds aided the craftsmen by

power through coöperation which they afforded. When merchants and craftsmen became wealthy they wrested or bought privileges from king or lord they began to have a new feeling of respect for themselves. They built beautiful and stately gild halls. They built for themselves private houses as splendid as the palaces of bishops or dukes.

It may seem as though this explanation takes away nothing from the real value that men now put upon work. Is not the true reason why we respect labor to be found in the simple fact that it is necessary to life, and useful for providing what gives comfort and joy to others as well as to ourselves? And if we want another good reason, shall we not find it in the fact that the skilled worker is educating himself, and becoming a more capable and effective man by doing his work well? Doubtless these are the best two reasons, but the best reasons are not always the reasons which actually move men. And when we ask why anything is regarded as honorable, we have to answer that it is

usually because some group or class agree in so regarding it. If the view of this class is to become widespread, then the class must be a strong one. "Honor" is, as we have said before, a class or group way of thinking and feeling. The gentleman class regarded petty trade and manual labor as dishonorable. The only way to change this situation was through the rise of a class which should count them as honorable. Towns did not do the whole work of making labor honorable. A class of free "yeomen" or farmers later arose in England who had the same view about their work. Many of them came to America, where the influence of frontier life added strength to their opinion and helped them form new community standards. But the towns and the gilds, with their wealth and their power of union and brotherhood, made the new social class which did most for the new ideal.

Honesty

Honesty and Fairness—Honesty and fair dealing were not always prized as highly as they are now. One reason for this was that traders and those with whom they traded belonged to different groups. Traders were outsiders. Hence it was quite in accord with early group morals to drive very sharp bargains with them. And the traders, on their side, had no scruple about getting the better of the bargain if they could. In one language the word for "trader" came to mean a cheater or defrauder.

And, quite apart from the old notion that a man from without the group had no rights, bargaining is in one respect like war: it calls out strategy; it is a game of wits. In this respect it is like playing a game of ball or chess. One likes to win, even if there is not much at stake. Some persons thus find the same pleas-

bargaining that others find in sport. In some of the country, trading horses is regarded not so as a way of making money as an agreeable somewhat exciting pastime. And the neighbors the trade as they would a game of checkers. Both these reasons the morals of trade have been bad. The old maxim of Roman law was *caveat emptor*—“let the buyer beware.” But when merchants to enlarge their operations, to have steady customers, to settle down in towns, they felt the necessity of setting standards of honest work and of fair dealing. Gilds punished members who cheated. Thus in the *Statutes of the Leicester Gild* in the year 1254 we read

“Alditch was charged with offending the laws of the Gild, having made a blanket in one part of which was good woof, but elsewhere in many places weak stuff. This caused a piece of weak and inferior vermillion cloth attached to a good piece of the same kind of cloth. He was adjudged that he should pay a fine of 6s. 8d. and, if he should commit another offence against the Gild, he should be expelled.”*

So, the gilds attempted to prevent their members taking advantage of fellow members. If one gildsman bought a quantity of some article like tallow or any other gildsman could claim a portion at the usual price. This was to keep out middlemen’s men, so far as fellow members were concerned. Before the days of “one price to all” it was an important

though the merchants were exempted from the Customs and Law of the land, they had a Law-Merchant of their own. This had been built up out of the “cus-

* Gross, *The Gild Merchant*, vol. II, p. 143.

toms" which prevailed in important ports. It dealt especially with such matters as contracts and debts, and was administered by special courts. One such court declared in 1477: "it hath been at all times accustomed, that every person coming to the said fairs should have lawful remedy of all manner of contracts, trespasses, covenants, debts, and other deeds made or done within any of the same fairs, during the time of the said fair, and within the jurisdiction of the same, and to be tried by the merchants being of the same fair."

As the ideals and morals of the gentleman come from the days of the early state and of chivalry, the ideals and standards of business honesty come from the "customs of merchants" and the life of towns.

CHAPTER XI

FIRST STEPS IN LIBERTY

THUS far we have dwelt chiefly upon early co-operation. We turn now to the other great idea in our democracy, liberty, and look at its beginnings. It is certainly one of the great values in life. Men and nations have been willing to struggle and even to die in defense of it. America has prized liberty as one of its great aims and men have loved America because they have found liberty here. Indeed the early settlers, many of them, came to this country to find here the liberty that they could not find in the Old World. But the first steps toward liberty were taken long before our fathers came to this country. We have already referred to the fact that the towns helped their citizens to gain liberties; but the extraordinary thing is that the state, which began by conquering people and so taking away their liberty, came in time to be the great protector of liberty. It is worth while to understand how this came about, because certain things in the Constitution of the United States and in our ideas about law and government cannot be understood save as we keep in mind the way in which liberty was gained.

First of all, however, we have to notice that there are several different kinds of liberty. The word is used in several different senses. Of these the principal are the following:

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1. Freedom contrasted with slavery, or serfdom. This is the simplest kind of liberty.
2. National liberty, or national independence—freedom from control by a foreign power.
3. Special privilege, as when a city gained by a charter special rights of trade with freedom from tolls. To belong to a city gave one the privilege or, as it was called, the " freedom " of the city.
4. Civil liberty. This means protection especially from violence or from any arbitrary taking of property even by the government itself. The principal rights that are included under civil liberty are freedom of person, freedom of religion, freedom of opinion and speech, and security of property.
5. Political liberty. This is the right to have a share in the government by voting or otherwise. Very few Englishmen had this right until the year 1832, although civil liberty had been secured very much earlier.
6. Liberty or freedom, which is in contrast with *any* kind of constraint or bondage. If a person is a slave to a habit, or a passion, he is not free. If he is ignorant or sick, he is not free. If he is in fear of violence, or of starvation, he has very little liberty. For the most part, these last kinds of bondage and freedom depend largely on the man himself. They cannot be so easily changed by law. It is only recently that we have begun to see that by public education and public care of health much can be done to give men an opportunity to be free.

1. Freedom
vs.
slavery

The first kind of liberty does not need much explanation. We all understand the difference between a slave and a free man. What may seem curious to us is that

for so long a time slavery or serfdom was the rule, and freedom the exception. Few of us can say that our ancestors were neither slaves (or serfs) nor slave masters. Indeed, one of the greatest men of all history, Aristotle, argued that some men are naturally incapable of directing themselves and so that it is better for them to be controlled by others, that is, to be slaves. Saint Paul cared so much about being free from the slavery of sin and passion and free from the older ceremonials of religion that he thought any other slavery of slight importance. In modern times, however, liberty has often been called a natural right or a God-given right, that is, a right which belongs to man by his very nature, or by the gift of God. The two great reasons for freedom seem to be: first, that, as Julius Cæsar long ago remarked, all men love liberty. It is cruel to thwart a deep desire of human nature unless this is necessary to secure some more important end. Second, that it is only as a man is free that he can really decide matters for himself; and it is only as he can decide matters for himself that he can be responsible, or indeed be a real person. Many people would perhaps be more comfortable if owned by kind masters than if forced to struggle for themselves. The serfs were probably better off so far as getting food and shelter went than a great many laboring people today. Nevertheless few of these people would exchange lots with the serf. Freedom is in some ways a hard school, but it is the only school in which a man can learn to be fully a man.

The second kind of liberty, national independence, is of course the direct affair of the state. A nation likes to govern itself, just as a man likes to be his own master. It feels humiliated at the thought of being

2. National
independ-
ence

ruled. This desire for national independence was the chief concern of our fathers when they thought of liberty at the time of the American Revolution. So we speak of the long war of the Low Countries (Holland and Belgium) against foreign rulers—Burgundy and Spain—as a struggle for liberty. What is the importance of this kind of liberty? Is a country or a part of a country better off if it is ruled by its own people, and is it true to say that a people is not free if it is not independent?

Consider Canada. Canada, like the United States before the Revolution, was a part of the British Empire, and still remains such, but its citizens consider that they enjoy liberty as truly as the people of the United States. They do not regard themselves as being ruled by a foreign power. They consider Great Britain as the Mother Country, and in turn Great Britain leaves them practically a free hand.

In the case of Scotland there was long a party which believed it better to be independent of England. When we read Robert Burns's stirring poem called "Scots wha hae wi' Wallace bled," we think it was a fine thing to fight for the "freedom" of Scotland, and that "proud Edward's power" meant "chains and slavery." Yet if we look back and ask whether Scotland was better off when it was independent, or after it became a part of the one nation of Great Britain, we can have no doubt that there has been more prosperity, and even more liberty, in most senses of the word, for Scotchmen since their country has united with England.

But contrast with this the case of Ireland. The country has been conquered several times, and has had various plans of government, but it has never prospered

as has Scotland. Its people have considered themselves cruelly oppressed, and have sought "home rule" as the nearest practicable substitute for independence. They have felt much as the American colonists felt toward England in 1776.

At the time of the Civil War in the United States, many people in the Southern States believed that the interests of their states were so different from those of the North that it would be better to form an independent nation. A few in the North thought the same, though the majority believed that to have two nations would lead to constant conflicts and that the reasons for union were stronger than those for separation.

It is evident that national freedom is sometimes highly prized, and that sometimes, on the contrary, a people prefers to be part of a larger whole rather than to be independent. It seems to depend upon whether people of the two countries are so alike in race, language, traditions, and feelings that they can understand and sympathize with each other, and upon whether they have common interests.

Suppose, however, a country which is so distinct from others in these respects that its people desire to be independent. What is the advantage of being independent as compared with being governed by another people, which perhaps seems to be more capable of ruling? This is a good deal like asking: What is the advantage to a boy of becoming independent when he is twenty-one years old, instead of remaining subject to his father as he does in China? We answer: If he is his own master a young man may make mistakes, but to give him his freedom is, on the whole, the best way to make him careful and responsible; if he is his own master he feels greater ambition and pride in doing

well—he is more of a man—than if he is directed by another. In the case of a nation, both these reasons hold good, unless a people is so very ignorant as to be like a child instead of like a grown man. And there is also a third reason. Two peoples may in many respects have like interests, but the more widely separated they are in soil or climate, or by barriers like mountains, the more probable it is that what one nation wants may not be good for the other. In this case the people which is ruled by the other is likely to be oppressed.

To sum up then, we may say that national liberty is in most cases the first step toward other kinds of liberty. It is the source of ambition and patriotism. It teaches responsibility and is most likely to lead to national prosperity.

3. Special privilege

We need not dwell long upon the third kind of liberty, namely special privilege, as we have already given illustrations of it in speaking of the towns and gilds. But the most famous example is found in the liberties granted by Magna Carta. The Great Charter was not, as is often assumed, a general guarantee of liberty for the English people. It was a special treaty made by King John with the barons, and granted them certain special privileges which the people in general did not have. One such special privilege was that of being judged by their "peers." This meant that they need not be judged by the regular royal judges whom the barons would not admit to be their peers. The Charter made likewise an important grant to freemen:

No freeman may be taken or imprisoned or dis-seized (put out of his house or lands) or outlawed or exiled or in any other way destroyed, injured, nor will we go or

send against him, except by the lawful judgment of his peers, or by the law of the land.

This was a "special privilege" which later became of great value for more and more of the people as they came to be free men and so could claim the protection of the law of the land. It was thus an example of what we shall speak of in the next chapter as one of the ways in which a special privilege of a small group becomes a means of liberty for a large number.

Civil liberty was secured by a series of steps. The 4. Civil state very early established far better order than there ^{liberty} had been under tribal society. This was a great step toward real freedom, for if a man is afraid of being murdered, or beaten, or robbed, or of having his house burned, he has not much liberty. A town might keep order inside its walls, but it could not well protect its merchants when on their journeys. The robber barons built castles from which they would pounce upon the merchants. Or the outlaws in the forest would waylay the traveler. The church did what it could to keep peace, for it forbade men to fight on certain days of the week. Yet it was the king who was most successful in keeping peace, and so in protecting the liberties of people from general violence.

But the subjects of the king would be far from free if the king himself might at any time seize their persons and hold them in prison, or take away their property. In a republic a man would not be free if the legislature could vote at any time to put him to death or banish him or confiscate his property, without showing that he had violated any law. It was then a great gain when a citizen could claim the right to be heard in court, and to be treated the same as all others, that

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is, to be judged by the law and not made a special victim of the malice or greed of the king or any other powerful lord. The common law and the courts thus came to defend the rights of citizens against arbitrary acts of the king himself. This seems to have been the origin of an idea which is fundamental in this country. Our fathers, when they organized the various states, determined to protect themselves from arbitrary acts by their rulers. So they framed constitutions in which they included a "bill of rights." These constitutions were to be the supreme law, and they guaranteed to all the citizens certain rights. If the legislature passed a measure in violation of these rights the courts refused to enforce it. In fact they went further; it became a settled principle that the courts might declare such a law unconstitutional and therefore not a law at all. Of course if the state needed money, or needed a particular piece of land it could get it. But it must get the money by the regular way of taxation, not by demanding a special sum of John Doe. It must pay compensation if it took land for public use. And equally of course if a man did wrong the state could punish him. But it must prove that he had broken a law.

One of these rights specified in our Constitution is the right to a writ of *habeas corpus*. In former times a man might sometimes be seized and kept in prison indefinitely without a trial. But now if a police officer takes a man to prison without accusing him of any definite offense, the man or his lawyer may apply for a writ of *habeas corpus*, which means "you may have the body." This commands the jailer, or whoever is holding the man prisoner, to bring him before the court in order that it may be learned whether he is being lawfully confined.

Among all the rights which men have gained, none is more interesting than the right of trial by jury. At present this is regarded as a safeguard against unfair laws, or against attempts to execute or imprison men because of prejudice. But the jury was not at first a "right." It was a new way of deciding whether a man was guilty or not, and for a long time people were afraid of it.

The old courts of the English had no jury. If a man was caught by some of the men who made up a court in the act of killing or stealing, then he was forthwith condemned and hanged. "He cannot gainsay it, so let him be hanged," was the rule. Failing this, the accused man might try to prove his innocence by ordeal or in some kinds of cases by battle. When these went out of use, trial by jury came in. This arose as follows: When the king had a controversy about land or other matter he could not be expected to go into wager of battle. He used the highly sensible plan of having the best and oldest men of the neighborhood called together to tell what they knew. They might be asked what land the king had, or who was suspected of murder or crime. This was called an "inquest," and we have a survival of it in the "coroner's inquest," an inquiry into the cause of some sudden or violent death. As the king's court came to offer to people more and more widely the opportunity to bring their cases before the king's judges, they allowed other persons as well as the king to use the same test. The old way of settling who owned a piece of land was often by a challenge to fight. Under this new plan a man who was challenged might get the case transferred to the king's court; and twelve men from the neighborhood—knights, if it was about so important

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a matter as ownership of land, or ordinary freedom if it was about a less important issue—would be called upon to say which had the better right. The twelve men were not, like a modern jury, supposed to hear witnesses. They were rather chosen as the men that would know most about the case already. In those days, just as now in country districts, neighbors knew best whether a piece of ground had always belonged to a certain farm, or whether this cow belongs to A or to B. This use of a jury was what is called a *civil* as contrasted with a *criminal* procedure. Such a jury was a sort of umpire or referee.

In criminal trials the use of a jury came in more slowly. The king or sheriff might, as we have seen call an inquest to learn who, if any one, was suspected of stealing. If twelve men said that John Doe was suspected, then John Doe must stand trial. But the trial at first would be by the old test. Doe must try the ordeal of fire or water. Unless he was caught in the act, his neighbors would not dare to hang him on suspicion; they left it to God to show whether he was guilty or innocent. But suppose Doe were *willing* to leave it to his neighbors to say whether he were guilty or not. Then it was thought fair to take him at his word. Either the jury which first charged him with being a suspicious character, or a new twelve called in to give an independent opinion, might say whether he was guilty. The clergy were in 1215 forbidden to take any part in the old superstitious ordeals. Hence this jury plan was really the only one left except trial by battle, and the courts favored the plan of trial by jury. Still they did not dare to condemn a man by a jury unless he consented to this way of trial. To take away a man's life without his having a chance to

appeal to God was too much of a responsibility. Hence a man was asked to consent to the trial by jury and they could not try him without his consent.

This belief that a man could not be tried by a jury unless he consented might seem to leave an easy way of escape for wrongdoers, or even for an innocent man who feared the prejudice of his neighbors. But in order to avoid this very thing the law adopted a rather stupid and cruel scheme to keep up the fiction that a man must consent to trial. If a man would not consent he might be starved, or he might have weights piled upon his naked chest until he yielded or died. It is a painful instance of how long a barbarous custom may survive that one man in America was pressed to death in this way. It was fitting that the crime of which he was accused was witchcraft, for this showed that old superstitions and old legal customs are both very persistent.

Political liberty means having a share in government. In a small town this may take the form of a general town meeting where the voters decide directly on what they will expend for roads, schools, and other objects. Greek cities managed their own affairs in this way and it was thought a city ought not to be larger than could be governed by such a meeting. But the modern method is usually by choosing "representatives" to make laws and to perform other duties.

We now believe that political liberty, or self-government, is important for two reasons: first, as being the surest guarantee of the civil liberties already described; second, as being in itself a power which gives dignity and worth to men and trains them to responsibility.

Who had a share in the national government at the

beginning? As we have already seen, it was first of all the king and the leading warriors, although the king employed also a number of churchmen to be his advisers and helpers in administering justice and keeping accounts. The great multitude of the men of the kingdom, to say nothing of the women, had no share whatever in the national government, except as *servants or officers of the king*. The king, with his council of chief men, "magnates" as they were sometimes called, was the authority. The sheriff was appointed as the king's servant to keep order and collect taxes. The judges were the king's servants to collect his fines and hang those who disturbed his peace. The chancellor of the exchequer was his treasurer and bookkeeper; but none of these had any authority of his own.

The first great enlargement in the government we have already hinted at in Chapter V. The king summoned burgesses of the towns and knights of the shires to meet him. At first, he had no intention of giving them a share in governing. He got them together merely to tax them. Parliament was not anything that the people wanted. It was forced upon the people by the king. The clergy who were at first called to sit in Parliament managed to evade the duty and to sit by themselves and vote their supplies independently. Then men of high rank, the large landholders, tried to avoid going and preferred to pay a fine rather than to become a knight and so be liable for duty. In order to get these men to attend, the king's writs which summoned representatives of the shires demanded "belted knights," and a statute was passed that the representatives must be "gentlemen born," which implies that the "gentlemen" were more than willing to allow their inferiors all the "honor" of attending the

nation's assembly. In the boroughs men bribed the sheriff to let them off. In short, as Professor Jenks puts the matter,

"The counties hated it because they had to pay the wages of their members. The boroughs hated it because (in England at least) the parliamentary boroughs (those which were summoned to send members to Parliament) paid a higher scale of taxation than their humbler sisters. And all hated it because a Parliament invariably meant 'taxation.'"

But by and by it was discovered that to grant money gave a good chance to petition for redress of wrong or for privileges. It also in time gave a chance to get favors for the towns which were represented. And when at times it came about that there were rivals for the throne, then Parliament sometimes found that it had real power in aiding one rather than another. In these ways the House of Commons came to take the lead which at first the greater barons had held, and to exercise more and more control over the king.

It was significant, however, that when the Parliament came to have real power the people of social rank became anxious to attend themselves, and proceeded to limit the persons who should have any choice in electing them. A law was passed limiting the right to vote to those "freeholders" (a certain class of landowners) who owned land renting for forty shillings or more. As this would be the rental for eighty acres it would include only a small part of the people; but this law remained unchanged for four hundred years in England. In the eighteenth century there were only about 160,000 voters in a population of 8,000,000. This would be about one in ten of the grown men, or less than one in twenty men and women. Until 1832, then, the part

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of the nation which had anything to say about government was less than one in twenty of the people over twenty-one years of age.

In the boroughs the case was worse. The representatives were sometimes chosen by the town officers, sometimes by those who had the "freedom of the town" (gained by membership in the merchants' gild), sometimes by those who owned certain houses or lots (the voting right was transferred to the new owner if the property changed hands). So it was often a very small group that named the representatives, and sometimes the vote was "owned" or controlled entirely by the large landlord, or by the king.

When we consider how small a proportion of the people had any actual share in the government, we wonder that the English people secured as many rights as they had. On the other hand, we are not surprised that the common law for many years treated the villeins as having no property rights, and that Parliament passed a series of laws of a kind which we should call "class-legislation." Such was the act forbidding children to learn any craft if they had followed the plow to the age of twelve years; the act forbidding the tenant to send his boy to school except by consent of the lord; the acts fixing wages and compelling laborers to work at the wages fixed; the provision that unmarried persons under thirty not having any trade and not belonging to a nobleman's household might be compelled to labor at the request of any person using an art or mystery (a trade); and that persons between twelve and sixty, not otherwise employed, might be compelled to serve by the year in husbandry, and that unmarried women between twelve and forty might be compelled to serve likewise. It was also prescribed that

persons of certain classes must not leave the parish boundaries under penalty of a heavy fine, and in order that boys might remember where these limits were they were sometimes taken round the boundaries and there publicly whipped.

It is surprising, on the whole, that when the colonists came to America they were as liberal as they were in the matter of suffrage. The main reasons are perhaps two. First, the colonists were themselves very largely of one class; very few of the gentry emigrated. The other factor which soon began its work was the influence of the frontier, of which more will be said later.

The liberty, which depends upon education and self-control, was for a long time left either to the church or to individuals to work out for themselves. Early schools and universities were largely established by the church. The great universities, Paris, Oxford, and Cambridge, date back to the twelfth century. The cloisters and abbeys maintained schools for training monks. The gentry had private tutors. The common people had very little opportunity. When the Bible was translated into English and men came to believe that they ought to study it for themselves, a new motive came in to stimulate the desire of the common man to read. Another influence which aided education was the growth of trade, for some knowledge of arithmetic and reading was very convenient for keeping accounts and carrying on business.

The growth of science and discovery as distinct from education was largely due to individual men who had the passion for understanding the world. When the telescope enabled man to see the moon and other heavenly bodies more clearly he began to realize that the

6. Freedom
from
habit
and fear

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sky which used to be regarded as the dwelling place of all kinds of evil and dangerous spirits, was really the same kind of place as the earth. A great load of superstitious fear was thus taken off the minds of men. And when Newton discovered the laws of gravitation men felt that they could really count upon the moon and planets to move in a regular and uniform way. By this means, man was becoming free of his world, that is, he felt that he understood it better, and was not so fearful.

But in this progress of education and science the state at first had little part. Not until recently has the state undertaken to establish universities and public schools of all kinds, which are now so important for the maintenance of this sixth kind of liberty.

In conclusion, then, of this sketch of how the membership of the state has grown, we may say that up to the time when the early American colonists left England, the national state *governed* all the people, but only a small part of the people were full members of it. Beginning with the king and his warriors and advisers, the governing class had come to include the larger landholders, and the more prosperous merchants and craftsmen. The great bulk of those who rented farms or worked on them, and of those who lived in towns, had no share in making their laws or carrying on the state. Under a good king there was sometimes a degree of government *for* the people; there was no government *by* the people. Before there could be democracy the state must include all.

CHAPTER XII

PROGRESS OF LIBERTY: FROM SPECIAL PRIVILEGES TO EQUAL RIGHTS

HOW have men gained these various kinds of liberty which we have sketched in the preceding chapter? We may say broadly that they have gained them: (1) By fighting for them; (2) by bargaining for them; (3) by appeals to reason and sympathy as voiced by prophets, poets, and philosophers. Both the first two methods have usually secured "liberties" or privileges for certain groups—barons, or "freemen," or white men, or men as contrasted with women. Hence we shall have to trace also how liberties won for the few have been extended to larger and larger numbers, and it will be convenient to speak of the influence of prophets, poets, and philosophers last of all. We consider in this chapter the methods of fighting and bargaining.

How
liberty
has been
gained

It is natural to think first of the method of gaining liberty by fighting, and to suppose that it has been the most important method. It is, however, only under certain conditions that fighting has accomplished much for any of the kinds of liberty except national independence. It is easy to exaggerate its importance because our histories tell so much more about wars than about bargains, or the work of the courts, or the growth of new ideas about men's rights. It is no doubt true also that a war is so dramatic that it appeals to our

1. Gaining
liberty
by
fighting

imagination and feeling and is more vividly realized than the conflicts between ideas. We read how the English barons at Runnymede compelled King John to grant them the privileges which are set down in the Great Charter. Or we think of the Peasant Revolt when the peasants of England, who were then mainly serfs, suddenly marched to London and demanded emancipation. Or of the war in England between King Charles I and the Parliament, as the result of which the king was beheaded. Or of the American Revolution or French Revolution. Some of these did accomplish something; some of them, like the Peasant Revolt, failed. Another Peasant Revolt, which took place in Germany in 1525, seemed for a time likely to succeed, but it ended in the triumph of the lords, who put to death 100,000 or more of the peasants, and left them worse off than ever, so that they remained serfs for more than two hundred years after it.

Why
revolts
fail

Why has a fight for freedom so often failed? The case of the Peasants' Revolt in England in 1381 is instructive. A great body of peasants, who at that time were villeins, marched to London and demanded of the king, "We will that you free us forever, us and our lands, and that we be nevermore named or held for serfs." They were promised this by the king and even given charters of freedom, but (1) they had no friend in the actual government and they were not themselves ready to upset the whole state and rule themselves. They had, therefore, no security except the king's word. As soon as they had scattered and the king was no longer afraid of them, he refused to keep his promise, and when shown his own charters, answered scornfully: "Villeins you were and villeins you are. In bondage you shall abide, and that not your old bondage but a

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worse." Parliament likewise, made up as it was of landlords or townsmen, had no sympathy for the peasants, and when the question of freeing the villeins was submitted to them, they said that they would never consent "were they all to die in one day." Promises of a ruling class cannot be relied upon to secure freedom.

(2) The peasants committed acts of violence, burned buildings, pillaged houses, and thus made the townsfolk turn against them.

If now we ask, "Why did not the peasants keep control of the government when they had frightened the king into yielding?" and, "Why did they not keep order in their own uprising so as to keep the sympathy of neutrals?" the answer is that they were not well enough educated to think out all these things. When the king and his band of warriors originally established the beginnings of a state, they killed off their enemies, but kept a strict discipline. When they had thus kept order for a long period there would be many people who would prefer order even if a great body of villeins were unfairly treated, and so would side with the king and the law. The Peasants' War in Germany in 1525 failed for about the same reasons.

Consider now the revolutions which succeeded, such as that against King Charles. (1) The rebels in this case were as well educated as the king's party. (2) They had control of Parliament, and so had a regular way of carrying on government and keeping order. This kept the favor of the business people in the towns. (3) Besides, they were fortunate enough to have a general of great ability, Oliver Cromwell, who so organized his troops that they were more than a match for professionals.

The American Revolution was carried on by men who had practice in governing and were intelligent and able to keep order. The French Revolution was also begun by those who had a place in the French Parliament. And, although the people of Paris rose as a mob when things did not move fast enough to suit them; although this mob stormed the Bastille—the prison—and compelled the execution of the king and queen, it was, after all, because there were men in the government able to carry out plans for reform that any permanent gain was made.

The fighting which has most helped the cause of liberty has been the fighting between leaders, not the fighting of common people against rulers. In England, France, and Germany the king and the lords struggled against each other and each side kept the other from being strong enough to do as it pleased. The party that felt weaker would appeal to the towns or common people for help. Out of the struggles between these parties and the need of getting the common people on one side or the other, great gains for liberty have since been made. History shows that fighting has won little directly for freedom unless the fighters have first been sufficiently well-educated to organize and submit to discipline, and second, have had training in government.

**2. Gaining
liberty
by
bargaining**

To gain rights by buying them may seem a strange way, but as regards civil rights—protection from oppression by some ruling class or by the government—men have gained more by bargaining than by fighting. These bargains have nearly always been made by some group or class for itself. Then later on the class might be enlarged so that more would share in it. Many illustrations of this are found in English history,

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but three of the most striking are (1) the rights of "freemen" secured in Magna Carta, (2) the rights of towns secured by special charters, (3) the rights of petition and at last to have a share in making laws, which were secured by bargains with the king in exchange for grants of money.

Magna Carta is frequently spoken of as if it granted liberty. It really granted "liberties," that is, special privileges to certain groups. We have already quoted one of its provisions as to freemen. At first this did not help most Englishmen at all. It granted "liberty" to those who already were "free," that is, to a small part of the people. Yet when in later times the serfs gained their freedom they could then enjoy the benefits of the law for freemen.

The towns gained privileges or "liberties" from the king by giving him money. These privileges included the right to trade, and indeed the monopoly, with certain exceptions, of trading within the bounds of the town. They included also the right to be free from certain taxes and duties which others had to pay. To have the "freedom" of the town thus meant a great deal. But this "liberty" did not belong to every one living in the town. It belonged only to those who were members of "the corporation" or of the gild. And later on, when craft gilds arose, they also had certain privileges for their members. Yet this right, which was at first for the few, became extended to many as the towns multiplied and other groups in them came to have a share in citizenship.

But the most striking case of liberty gained by bargaining is seen in the origin of political liberty, that is—right to share in governing. So far as governing means lawmaking, no one in early times really thought

of *making* laws. The customs of the old tribes and villages were not thought of as made by any one. They had simply been the customs as far back as any one knew. When the people came together in the court of the hundred or the shire they declared what the customs were, but did not think of making new ones. The first laws of the king, for example, the laws of King Ine before the Norman Conquest, were a sort of summary of the customs.

How
Parliament
gained
power

The Norman kings were in theory the absolute rulers. They had a council of their chief men, including bishops and abbots, as well as earls and barons. The chief business of this council was to act as a sort of court to decide cases, although when the king issued an edict he did it "with the advice" of his great men. However, this advising of the great men with the king would probably never have led to liberty. It was because the king needed more and more money, especially for wars, that he was led to enlarge his council and to grant it more powers. For though the king had much land, and besides could take fines and "aids" of his tenants which would enable him to get on fairly well in time of peace, he wanted more than this for war. And besides, some of the towns were now so prosperous that it seemed a pity not to squeeze more money from them. The church, too, had much land. So King Edward called together not only his tenants and the clergy, but representatives from the towns and shires to ask them for grants of money. As has been stated, no one was anxious to go. It was like receiving an invitation to attend a meeting at which a church debt is to be raised, or like a summons from a sheriff today to attend court in order to pay a fine.

But when the king sent a summons, men did not

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dare stay away. And when they were in his royal palace they did not like to refuse the king's demands, even though they knew they would be unpopular at home if they promised him a generous grant. The best they could do was to make as good a bargain as possible. If they granted the king money, would he not listen to their petitions and redress certain wrongs? By and by they succeeded in making it the regular order of procedure that petitions should be heard first before taxes were granted. Petitions were put into the form of bills to which the king had to answer yes or no, and thus the right of lawmaking and sharing in the government was secured by landowners and towns, through bargains rather than through battles. Here again liberties were first bought for certain small groups, and then gradually extended when villeins and artisans came to share in freedom.

When liberties had been obtained for special groups, the next step was to extend these liberties to all men, so that there came to be equal rights.

Two methods have been common. The first way is that by which most of the villeins became "free," namely, when men get education or wealth, they *make their way one by one into a privileged class*. The other way is by *the help of the law*; for the law tends to break down bounds between classes, to treat all according to a general rule, and to oppose special privileges and monopolies. We shall consider each of these in turn.

The value of education in helping a man to gain freedom was shown especially in the church. The old idea of "noble" birth was against any change in condition from father to son. In one way, military life

From
special
liberties
to equal
rights

tended to break down the old barriers and introduce competition, just as the desire of a college for success in athletics leads it to give every man a chance to try for the team, and thus to get teams made up of men with ability rather than merely of men whose brothers were football stars or whose fathers are distinguished men. Still, when one race conquers another the military chiefs themselves are apt to begin a new line of families. So "dukes" are called from "dux," a leader, "counts" from "comites," companions of the king—and the idea of noble blood takes a new lease of life. The conquered race would be regarded as base-born, and its occupations, such as plowing or weaving, as not fit for gentlemen. The church was not controlled by the idea of birth so far as its own ranks were concerned. It took peasant boys or town boys or sons of gentle folk, and if they were bright enough they might aspire to any rank. Funds were established to enable poor boys to study at Oxford and Cambridge. The paths to law and to the service of the king as ministers, judges, or chancellor likewise lay open, for all these officers were "clerks," that is, "clerics." If they could read they could have the "benefit of clergy."

By
property

The path to freedom by gaining wealth was that followed by many. The Danes, who had much influence in early customs of northeastern England, honored the successful trader and merchant. In the early days of Saxon England a "ceorl" (a member of the lower class) might become a "thegn" if he had five or six hundred acres of land; "and if a merchant throve so that he fared thrice over the wide sea by his own means, then was he thenceforth by thegn-right worthy" (Laws of Wessex, 920 A.D.). Later it was a question of how the villein might become "free," that is, free to leave

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his native place, and to work for wages instead of giving so many days in the week to his lord. It seems to have been partly a matter of individual bargaining. It was often more profitable to the lord to have the villein "commute" his services by money, that is, pay a certain rent in money instead of working several days in the week. If then the villein could earn good wages he would become free.

To get the "freedom of a town," the direct way was to become a merchant and belong to the merchant gild. As most merchants were also "masters" of some craft, this usually meant serving as an apprentice. But the villein who ran away and lived for a year and a day within a free town became in this way free also.

It is as true now as ever that the individual who wants to gain real freedom must in some way gain education or property in order to secure opportunities.

It may seem that in these ways of gaining freedom and rights—by fighting and bargaining, by gaining education and property—the nation was not of any use. This would be to forget that in the first place the nation has made order possible, has made it possible to have trade and property, and to make contracts, and thus laid the foundation for securing the various liberties. Yet these are, after all, *indirect*. In modern times the state works more directly for liberty by conducting schools, by affording opportunities through public lands for people to secure homes of their own, by protecting them from accident and disease. The indirect ways came first because, as we have so often noted, the nation was in the first place a band of warriors and cared little for equal rights.

But there was one part of the national government By law which from the first was working more directly to make

rights equal. This was the system of the king's courts which built up the common law. We are speaking, it is to be kept in mind, of such rights as the right to go and come, to be free from the danger of being seized and placed in some prison, whether of king, or duke, or bishop, and to be safe from having one's property seized. Who would want to do these things, and why? The king might want to put a man in prison to get money from him, or in order to get him out of the way, if he criticised the king's acts. It might be thought that a large body like Parliament would have no grudge against any individual, yet Parliament was quite willing at times to condemn a man unheard by simply passing an "Act of Attainder" against him—a procedure which is forbidden by the Constitution in this country. Why would the judges be any better than the king or Parliament? Some judges have doubtless been as brutal as any king, and we cannot say that they have cared any more for the particular men who have come before them than either king or Parliament. The difference has been that judges adopted the plan of following *general rules*.

One circumstance which may have had some part in the change from decisions based on local customs to decisions based on general rules was that under King Henry II the judges were sent about the kingdom from shire to shire to hear complaints of various sorts. If any one is doing such work as this he almost necessarily begins to follow a general rule. He does not know the different people who come before him, and so is more and more inclined to think of his rules and less and less of the particular case. Add to this that after a time the judges were prepared for their work by reading the decisions that others had made, or even

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the rules which had come down from the laws of Rome and you have another reason why judges tried to act by rules.

But suppose the rules themselves are hard or cruel, Why a government by laws is a democratic force will not this make a government by law worse than a government by kings or town meetings without any laws? This is a question to which there are two sides. It is true that a law which is oppressive, like the laws on the subject of slavery, or villenage, or witchcraft, could be much harder than men would be in dealing with their personal acquaintances; and a judge who was acting under such a law might be obliged to be more severe than if he followed his own feeling as to what would be right in the particular case. In slavery days a master who knew his slaves and had sympathy would be much more humane than the law. The great philosopher Plato discussed this question whether a government by laws or a government by men without laws is better. He decided that if you could have a ruler who was both wise and just he would give a better government without being constrained by laws, but that *taking men as we find them*, a government by laws is safer.

Why safer? The chief reasons why, on the whole, a government by laws is safer are perhaps two: (a) Laws represent the wisdom of several men, not of one man. One man may sometimes have a better idea than is likely to be adopted by a group and be made law, but ordinarily no one man is likely to think of all the interests to be affected and so his ideas are liable to be one-sided.

(b) More important is this: If any rule is followed strictly and impartially in all cases, it is soon perceived whether it is a good rule or a bad one. If it

is a cruel or one-sided law, then the more strictly it is enforced the more people will be injured and the more enemies it will make. And this will tend to get it changed. A king might pull out one by one the teeth of a Jew from whom he wished to squeeze money, and this would not necessarily excite any fear among other rich men. But suppose it were made a law that all men must contribute to the king as much money as he asks for at any time, under penalty of having their teeth drawn one by one each day; then there would soon be powerful opposition. Equality before the law *compels men* to make common cause with all others affected as they are, whereas without this men tend to want special favors and to let others shift for themselves. It is thus a strong democratic force.

CHAPTER XIII

INFLUENCE OF IDEAS UPON THE PROGRESS OF LIBERTY AND DEMOCRACY

If we wish to tell at all completely the story of liberty, we shall have to add to all these forces which have been at work in the national state the influence of great men, men who have had ideas of a better and juster society, and have put these into the minds of rulers and judges, or into the general sentiment of their peoples. We may note three classes of such great men.

The first type is those whom we call prophets or religious teachers. Ancient Israel had many of this type. Amos, Isaiah, and many others pleaded powerfully for the cause of the poor, and the laws of Israel were made more humane by their teachings. Christianity held that all men are equal before God. It dwelt a great deal in the Middle Ages upon God as a judge. It held, however, that He was so great and just a being that to Him human ranks and titles were of no account. He judged men according to their hearts, not according to their birth or wealth. This was in flat contradiction to the earlier laws of the Saxons, according to which a higher fine had to be paid for killing a man of good birth than for killing a man of low birth, and a man of low birth had to pay a heavier fine than a man well-born. The belief that men are equal before God did not at once do away with slavery nor with class privileges; but the tendency was in that direction. The Peasants' Revolt of the fifteenth cen-

Religious
teachers
and
liberty

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tury was largely aroused by a priest, John Ball, who put his doctrines into rhymes.

"When Adam delved and Eve span,
Who was then the gentleman?"

Equity

Another way in which religious influence directly affected English law was through that particular part of the law which is called "Equity." Equity was a plan to provide remedies for wrongs which the law courts did not set right. Men went to the king's chancellor, who was usually a bishop, and complained they could not get redress through the king's other courts. They "urged that they were poor while their adversaries were mighty, too mighty for the common law, with its long delays and purchasable juries." Or they had made certain agreements with neighbors or friends which the common law would not undertake to enforce because it had no rules which applied. Would not the chancellor enforce these honorable understandings, these "uses, trusts, or confidences"? The chancellor in deciding these cases was at liberty to follow his conscience. He could ask what was fair, or equitable, or what belonged to good faith. This saved the law from becoming utterly rigid. It brought a new element of conscience into it.

Philoso-
phers and
liberty

The second type of great men who have helped liberty and democracy we call philosophers. Stoic philosophers in Greece argued against slavery. Cicero urges that men are equal. "There is no one thing so like or so equal to another as in every instance is man to man." All share in the common gift of reason. Now law is merely what right reason requires; hence in giving us reason, nature gives us law. "And if nature has given us law she hath also given us right. But she has bestowed reason on all, therefore right has

been bestowed on all." A Roman lawyer who lived later than Cicero wrote, "By the law of nature men were born free." This fine thought did not lead men at once to abolish slavery; but it was later to become a watchword of freedom in England and America and France.

Four modern writers who aided greatly in advancing the cause of human rights were Milton, Locke, Rousseau, and Jefferson. Milton was the great Puritan writer and the early settlers of New England were Puritans. Milton and Locke had great influence upon the ideas of our forefathers in America. John Locke was read in all parts of the United States, and probably did more to influence the thoughts of men at the time of the American Revolution than any other writer.

Milton was writing to defend those who had overthrown and beheaded Charles I. This rebellion and execution seemed to many people the greatest of crimes. Some had believed that the king could do no wrong, and that whatever evils his people might suffer, they could never under any circumstances be justified in rebelling against him. Milton wished to show that men are not bound to obey a wicked king. The title of his first book runs:

"The Tenure of Kings and Magistrates: Proving That it is Lawfull and hath been held so through all Ages, for any who have the Power, to call to account a Tyrant, or wicked KING, and after due conviction, to depose and put him to death if the ordinary magistrate have neglected or denied to do it."

Milton wanted to prove that the rights of people are older than the rights of kings. He claimed therefore that men were born free and that kings and other rulers were appointed to prevent violence:

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"No man who knows ought, can be so stupid to deny that all men naturally were borne free, being the image and resemblance of God himselfe, and were by privilege above all creatures, borne to command and not to obey."

In a later book, entitled "Second Defense of the People of England," Milton declares the right for kings of "doing what they please is not justice but injustice, ruin, and despair," and addressing Cromwell, he continues:

"You cannot be truly free unless we are free too; for such is the nature of things, that he, who entrenches on the liberty of others, is the first to lose his own and become a slave."

The power of kings and magistrates is held in trust by them from the people "to the common good of them all." To say, "The King hath as good right to his crown and dignitie, as any man to his inheritance is to make the subject no better than the King's slave, his chattel, or his possession that may be bought and sold."

John
Locke

John Locke is less passionate than Milton, but for that very reason he appeals especially to lawyers and statesmen. He dwells upon the state of nature, in which he supposes men to have lived at first:

"To understand political power aright, and derive it from its original [origin], we must consider what estate all men are naturally in, and that is, a state of perfect freedom to order their actions, and dispose of their possessions and persons as they think fit, within the bounds of the law of Nature, without asking leave or depending upon the will of any other man. A state also of equality, wherein all the power and jurisdiction is reciprocal, no one having more than another."

Or again, in another passage, which you will see reads like the Declaration of Independence, he proclaims essentially democratic doctrines—freedom, equality, self-government:

"Men being by nature all free, equal, and independent, no one can be put out of this estate and subjected to the political power of another without his own consent."

Men form governments, he continues, by agreeing with others to join and unite into a community. They make a compact or contract. The purpose of this is the "preservation of their lives, liberties, and estates. If governments act contrary to the trust that is placed in them the right of the rulers is forfeited:

"The people have a right to act as supreme and continue the legislative in themselves or place it in a new form, or new hands as they think good."

Finally we may mention among the philosophers, Blackstone who did much to express the conviction of freedom and liberty, Blackstone, the famous author of the "Commentaries on the Laws of England," which were published in 1765. He has been studied by practically all English and American lawyers since his day. We might say that his writings have seemed almost sacred to them. When we remember that in America our legislatures are very largely made up of lawyers, so that our laws are made as well as applied by Blackstone's disciples, we can appreciate what a great influence he has exerted. In the first chapter of his book he speaks of the rights of men as "absolute." He means by this that they come before all laws and all society. It is the same theory which Locke has in mind, but it is stated even more emphatically:

"For the principal aim of society is to protect individuals in the enjoyment of those absolute rights, which were vested in them by the immutable laws of nature, but which could not be preserved in peace without that mutual assistance and intercourse, which is gained by the institution of friendly and social communities. Hence it follows, that the first and primary end of human laws is to maintain and regulate those absolute rights of individuals."

What, now, are these absolute or natural rights of man?

"The absolute rights of man . . . are usually summed up in one general appellation and denominated the natural liberty of mankind. This natural liberty consists properly in a power of acting as one thinks fit, without any restraint or control, unless by the law of nature: being a right inherent in us by birth, and one of the gifts of God to man at his creation when he endued him with the faculty of free-will."

Rousseau

In France, a famous writer, Rousseau, expressed the ideas of Locke as to men's original liberty in even more eloquent words. He helped kindle a passionate love of freedom in all Western Europe.

Jefferson

In America, Thomas Jefferson, who read Locke and Blackstone and Rousseau, put these ideas into the great Declaration of Independence, through which they have become a part of American government and American ideas. Sometimes it seems as though writings and ideas of philosophers did not have great weight. But in such a case as this it is easy to see that ideas of liberty and democracy have become the basis of government and laws.

Men of
letters
and
liberty

The third type of men who have advanced the cause of liberty includes writers, some in poetry, some in prose, who have voiced the protests of the oppressed and the passion for justice in words that have touched

the heart and stirred the conscience. From ancient Egypt one powerful appeal of such a writer has come down to us called "The Appeal of the Eloquent Peasant." A government official had unjustly seized the donkeys of a poor peasant. The unhappy man whose sole means of livelihood has thus been taken away appeals to Pharaoh's Grand Steward for justice. Other officials ridicule the poor man and his case seems desperate. The steward is entertained by the eloquent words of the peasant, but puts him off from day to day. The symbol of the balances is used to emphasize the demand for fair dealing:

"Ward off the robber, protect the wretched, become not a torrent against him who pleads. Take heed, for eternity draws near. . . . Do the balances err? Does the scale beam swerve to one side? . . . Do justice for the sake of the lord of justice. . . . For justice is for eternity. It descends with him that doeth it into the grave. . . . His name is not effaced on earth; he is remembered because of good."

In England many songs have come down from nearly every reign protesting against oppression. The earlier ones, such as those which praise Simon de Montfort, are in French. In the time of King Edward I we have them in early English, and some of them show, even in translation, the spirit of protest.

"Thus men rob the poor and pick him full clean,
The rich take at will without any right;
Their lands and their people are lying full lean;
Thro orders of bailiffs so sad is their plight." *

* "Thus me lileth the pore and pyketh ful clene,
Te ryche raymeth withouten eny ryht;
Ar londes and ar loedes liggeth fol lene;
Thorh biddyng of baylyfs such harm hem hath hiht."

The familiar Robin Hood ballads voiced the accumulated protest of a subject race against the oppression practised by Norman kings, of the lower classes against the brutality and state abuses of King John's day. Robin Hood was living as an outlaw in the Greenwood, waging war against the sheriff and always getting the better of him. He was generous to the poor, and did not harm yeomen and laborers, but one time he slew fourteen out of fifteen foresters who came to arrest him: he slew the sheriff, the judge, the town gate-keeper. He was so popular that in the sixteenth century his commemoration day was observed. Taine quotes from the experience of Bishop Latimer who, on coming to a church where preaching had been announced,

" found the doors closed and waited more than an hour before they brought him the key. At last a man came and said to him, 'Syr, thys ys a busye day with us; we cannot heare you: it is Robyn Hoodes Daye. The parishes are gone abrode to gather for Robyn Hoode. . . . I was fayne there to geve place to Robyn Hoode.'"

Langland, in 1362, pleaded for justice to the humble laborer. Even of the beggars Piers Plowman says, "They are my brethren by blood, for God bought us all." And he urges impressively that in death at least men must leave their distinctions of rank. "In the charnel-house at the church it is hard to know a knight from a knave."

The discovery of America seemed to suggest that a better day might dawn now that a new world had come into view. It called out a famous book by Sir Thomas More called *Utopia* in which he pictured a country with perfect laws and perfect society. This was not a new idea. Prophets, philosophers, and men

of letters had alike held up visions of a better day. In ancient Israel, when the kingdom was no longer so glorious as under David and Solomon, when the poor were oppressed and there was great injustice, prophets began to look forward to a new and better kingdom of peace and righteousness. The early Christian writer, John, had a vision of a heavenly city in which God should reign, a city in which there should be no more war. In Greece the philosopher Plato described an ideal city in which rulers would be selected because of their wisdom. Every one should do the work for which he was best fitted, whether it were that of the brave soldier to defend the city, or that of the farmer and laborer to provide food. Women, too, should be educated as well as men and should be given a chance to do whatever they were able to do. In this way harmony and order would prevail. People would be united in the service of the city. It was not the modern ideal of a democratic city, for Plato did not believe in education for all. Neither did he think that the great majority of common people should have anything to do with the government. Nevertheless it was a picture which exercised a tremendous influence over the minds of men and is still full of suggestion for those who are hoping and planning for a better future.

Sir Thomas More lived in the time of Henry VII and Henry VIII, when the "new learning," as it was called, was filling the minds of a few with great enthusiasm. More studied Plato's work and applied it to his own day. He protested against the cruelty with which slight offenses against property were then punished. He urged it would be much better to make some provision for preventing stealing than to use such severity in punishing thieves. "For great and horrible punish-

ments be appointed for thieves, whereas much rather provision should have been made that there were some means whereby they might get their living." If it be said that there are trades and farming, he answers that because of the wars which cripple men and use up the wealth of the country, because of the great numbers of "gentlemen" who live in idleness and extort the last cent from their tenants, because of the luxury which calls for a great many needless servants, and finally because of the monopolies by which rich men oppress the poor, there is no fair chance for the common man. He would do away with class distinctions and have all citizens equal before the law. He would have religious liberty. King Utopus

"made a decree that it should be lawful for every man to favor and follow what religion he would, and that he might do the best he could to bring other to his opinion so that he did it peaceably, gently, quietly and soberly, without hast and contentious rebuking and inveighing against other. . . And this surely he thought a very unmeet and foolish thing, and a point of arrogant presumption, to compel all others by violence and threatings to agree to the same that thou believest to be true."

In order to have men think of the common good, More desired to do away with private property and have people share their goods. Such a plea as the following must have stirred many to thought of a juster order:

"For what justice is this, that a rich goldsmith, or an userer, or to be short, any of them which either do nothing at all, or else that which they do is such that it is not very necessary to the commonwealth, should have a pleasant and a wealthy living, either by idleness, or by unnecessary business; when in the meantime poor laborers, carters, iron-

smiths, carpenters and ploughmen, by so great and continual toil, that without it no commonwealth were able to continue and endure one year, should yet get so hard and poor a living, and live so wretched and miserable a life, that the state and condition of the laboring beasts may seem much better and wealthier."

Again, about the time of our own Revolution, men in Europe also were thinking of a better day. Edmund Burke, who was our friend, had as a young man written a powerful indictment of what he called artificial society in contrast with natural society. He claimed that the laws, although designed to protect the poor and the weak had really come to give the advantage to the rich because it had become so expensive a matter to carry on a suit. He claimed that those who labor most enjoy the fewest things and those who labor not at all have the greatest number of enjoyments. He held up a picture of two hundred thousand men in Great Britain employed in mines with poor food, wretched health, laboring at constant drudgery, and asked if this were not more shocking than slavery. Robert Burns, a farmer born in a cottage and growing up with the poor, had both a feeling for the common man and a genius to appeal to all men. The rank, he said, is but the guinea's stamp, "The man's the gowd (gold) for a' that."

At the close of
the 18th century

But it was when the great Revolution broke out in France that the men of letters were kindled to a general expression of the passion for liberty which this aroused in Western Europe. Wordsworth, Shelley, Byron, all expressed various aspects of this great movement. With one it was a feeling of brotherhood, with another the sympathy with the small nation struggling for political freedom, with a third it was a desire to be free

from the oppression of law. All helped to strengthen the foundations of freedom and democracy and to point toward the day which we still await

‘ “ When man to man, the warld o'er
Shall brithers be for a' that.”

CHAPTER XIV

THE NEW MEANING OF LIFE BROUGHT IN BY LIBERTY

THE struggle for liberty was waged by men sometimes to get something for themselves, sometimes to get something for all. But out of it came a great idea about life, namely the idea that every man should be both free and law-abiding.

The great task of law and government had been to control men and make them conform to certain rules. Some of these rules were no doubt made in the interest of the king, and were oppressive; but most of them were made to preserve order, and to protect men in their rights. When the king and the state took the place of the old tribal customs, the lawyers taught that laws of society came from the king. But gradually, as men gained the right to make their own laws, they began to feel a new reason for obedience. They felt that they were not so much obeying some one set over them as obeying themselves. And this made a new responsibility too. For if men made their own laws it was their duty to make good ones. They could not blame others for what was their own fault.

Free and
respon-
sible

It can readily be seen that something like this goes on with each one of us as we grow up. At first we obey the words and customs of our elders, just as men do in tribal life. Then we find various rules for conduct which seem to have been set up by some one in authority. We must not meddle with others' prop-

erty, or the police and courts will interfere; we must obey certain rules of the school; we must keep our promises even if it is very inconvenient to do so; we must work when we'd rather not.

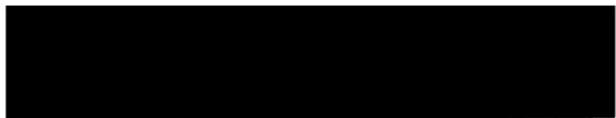
But as we grow older we are more and more left to decide matters for ourselves. We have to reason things out and see why we cannot interfere with others' rights, and why we must not always do as we prefer. When we control ourselves by reason, instead of following the first impulse, when we remember that we are part of society and so must think of others as well as ourselves, then we are "responsible." That is, we respond to the demands of others; we respond to what is reasonable or "right." We do not try to evade or dodge or squirm out of an unpleasant task, or out of our obligations to others; we stand up to them squarely. And we do it not because any one else is making us do it. We do it because somehow we recognize and feel that we ought to.

Now just so far as we do this of our own accord we are free. We are not compelled by any one; we direct ourselves, just as free men make their own laws. Here then is one great idea about life which has come out of the long struggle first to establish order, then to secure liberty.

And the second is that if freedom and responsibility are really just another name for acting conscientiously, then all men ought to be free and responsible. All men ought to have a chance to live a noble life. To help the cause of freedom, then, is not merely to gain a benefit for myself, it is part of the real business of living.

The state began by setting up a king, and making sharp class lines between gentle and simple; it gave us

the idea of the gentleman. The towns taught the dignity of labor and the service of honest trade. The long struggle for liberty gave men an ideal of life as free and responsible—free, “I am the captain of my soul”; responsible, for “no one liveth unto himself”; we are members one of another. Such liberty and responsibility are two of the great factors in democracy.



PART II

**PROBLEMS OF COÖOPERATION AND RIGHT
IN BUSINESS**

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The
new
power

CHAPTER XV

THE INDUSTRIAL REVOLUTION

THE place of business and industry in the whole scheme of living is in some respects larger than in earlier days. At the very beginning men did not have the knowledge of nature, nor the means of communicating with each other, nor the peaceful order of society which are the necessary foundations for a flourishing condition of business and industry. During the next stage, while the state with its law and order was being established, fighting was in the foreground; military power was the great power. During the past century another great source of power has been discovered as a result of which the great mass of men have devoted less and less time and energy to fighting, more and more time and energy to the development of trade and industry. This is the power of wealth, which indeed, in one sense, is not new, for both kings and common men have sought wealth from early times; but in another sense is new, for it is within the past century that new inventions and discoveries and new kinds of coöperation have multiplied wealth so rapidly as to give it far greater significance for the life of every one than it ever had before.

The general change in the ways of making, transporting, and marketing goods which has brought about this increased wealth, is called the Industrial Revolution. It has affected the business of living not merely

Changes
made
by it

for those engaged in business and manufactures but for farmers and all the professions. It has changed not only places where men work but the homes in which they live. It has made new problems as to what is right and wrong, fair and unfair. It has formed social classes on a new basis. It has raised very difficult questions for government and introduced new causes for wars between nations. It is, therefore, very important before considering moral problems of business to understand what the Industrial Revolution was.

Two aspects of the Revolution

We may broadly distinguish two aspects. The first had to do with the way in which things were made and transported. This may be called the industrial side of the revolution. The other had to do with the way in which business was carried on. It included changes in the marketing of products, in the system of wages and profits, in the use of money and credit and in the organization of corporations for management of industry. This second side of the revolution is, broadly speaking, included under the term, capitalism.

As regards the revolution in the way of making things, or manufacture, we may notice five points.

(1) From tools to machines

First it was a change from tools to machines. Up to this time men had made many tools. The needle, the ax, the saw, the hammer, the knife, are tools. But there were few machines. A sewing machine when compared with a needle is a good illustration of the difference. With the needle the sewer can draw the thread rapidly through the cloth, but every individual stitch is done as a distinct movement which requires direction by the thought of the one who uses the tool. The sewing machine drives the needle up and down in precisely the same way so that there is no need of making any new adjustment for each stitch. There is

nothing, then, to prevent it from being driven in an automatic or, as we sometimes say, mechanical way as fast as we can make it go. The process of making cloth was the first for which new machines were invented. The three main parts of this process were carding the wool to make the fibers all lie in the same direction, spinning or twisting the fibers into a strong thread, and finally weaving the threads into cloth. Inventions of weaving, spinning, and carding machines were made very nearly at the same time.

These machines were heavy and hard to drive by human strength. Water power had long been used for such work as grinding grain, but water power is not to be had everywhere. Fortunately the great invention of the steam engine had been made and about this same time was brought so far toward perfection that it could be used for driving the new machines. Here, then, were two great kinds of discoveries—machinery and steam power—that could be combined. They multiplied tremendously the ability of man to make cloth. Later on they were extended to all kinds of manufactures. Soon they were applied to ships, which thus became steamboats, and to railways. Both of these latter uses were extremely important in America, for the steamboats made trade with Europe far more convenient and rapid, while the railways opened up the great Middle West and Far West and made it possible for the settlers there to sell their grain and cattle and thus to benefit both the Old World and themselves.

The Industrial Revolution was a change from home work to factory work. For the most part, weaving and other industries were carried on in homes, and when machines which required water or steam power

(2) From
man-power
to steam

(3) From
home to
factory

were invented it was necessary to place these in factories. The workers must leave home for their day's work. In a factory town or city today the great multitude of men and a very large number of women are at home only for the night with a little space at the beginning and end of the day. This has had very important effects upon health and upon family and social life. At first factories were very likely to be poorly ventilated and not any too well lighted. In many cases dust and poisonous gases endangered health. In recent years these conditions have been improved so that the factory is now, except for its noise, a more healthful place for work than home would be. On the other hand, this change from home to factory has made a new problem in regard to children. They can no longer learn from their parents the various crafts and trades. This has thrown a new burden upon the school.

(4) Division of labor

A further aspect of the Industrial Revolution is the division of labor. Under the old system of hand work a shoemaker made a whole shoe. Now the making of the shoe is divided between something over eighty men. The housewife usually knew how to do all processes of making cloth from carding and dyeing on through spinning and weaving, and even cutting and making garments. This work today is divided among a great many, each of whom does some very small part. Each one becomes very expert and rapid in his part of the work but no one knows so much about a whole process as the old-time craftsman. On the other hand, the new system is far more efficient in turning out a great quantity of goods.

Finally it has brought men and women together to work in groups. In some factories thousands of

men work in making steel or cloth or preparing food. Great numbers of them who do the same kind of work thus come to know each other. They are very likely to organize in unions. From having the same work and wages and living in the same kind of houses and in the same neighborhood they come to sympathize with each other and thus can coöperate much more readily than could the workers who worked in scattered homes. We thus have the basis for a new class.

(5) Bringing workers together

The five points which we have just stated concern especially the changes in the way of making and transporting articles which the Industrial Revolution brought about. Side by side with these changes another great change was going on in the method of managing and financing business. The system under which business is now carried on is called Capitalism. It involves a new power in the world which is in many ways greater than the older political power which we have studied in the bands of warriors and the state. It is a power based upon wealth. Like the power of the king and the band of warriors, it is largely the result of union. But in this case, instead of a union of soldiers, it is a union of men and money, of buildings and machines. The leaders have sometimes been called "captains of industry." The great problems of the present time have, many of them, come from the conflict between this new power of united wealth and the older political power which we call the state or the nation. While we cannot pretend to make any thorough study of this new power we can see how it has arisen, what its usefulness is, and what are some of the dangers that go along with this power.

What is capital?

Capital is as old as tools. When a savage took some of his time to make a stock of arrow heads he was accumulating capital: he was putting work and time not directly into food but into tools by which to get a larger supply of food than he could get without them. Taming a horse or an ox to do work was accumulating capital. Getting an education is sometimes spoken of as accumulating capital, for the education will help one to earn a larger income than he could earn if he did not take time to study. In the Middle Ages and down to the time of the Industrial Revolution, the weaver who had a loom had so much capital. The farmer who owned cattle, horses, tools, had this much capital. But to build a large factory and stock it with machinery, and to buy the wool or cotton needed would evidently call for more capital than was required before the invention of the machine. It did not need very much capital in the old days for a man to start a stage route and carry passengers, but to build a railroad and equip it required a large expenditure which must be met before the railroad could be useful. After the factory is once built or the railroad is ready, it is, of course, enormously more efficient, but the construction of it demands that much more time and work be put into tools or machinery. Practically all the iron that is mined is made into machines and tools and represents, therefore, capital, by which we may get a better living. We get some idea of how our capital^{*} is increasing if we see how fast the amount of iron used is increasing. In 1800 the world produced 825,000 tons; in 1870, 11,900,000 tons; in 1905, 53,700,000 tons; in 1911, 134,150,000 tons. There are perhaps between three and four times as many people now in Europe and America as there were one hun-

dred years ago, but more than sixty times as much iron is used.

The increased use of gold and silver has been very convenient in this increase of capital. In the early days a man could not conveniently pile up a great stock of wheat nor could he conveniently accumulate great numbers of tools. If, however, he could exchange his surplus for gold or silver, he could have his accumulation in a convenient form. Gold and silver could be used to pay workmen or to buy raw materials. A man who could accumulate a large amount of gold with which he could employ men to build or to weave or to transport goods could, in this way, unite their energies and their strength just as the king could unite the energies of the men under his command.

But in recent times business men not only use money and in this way get the advantage of combining the strength of many; they use credit. If I wish to build a factory and do not have the money with which to buy lumber and pay workmen, I can still do it provided the man who has lumber to sell and the workmen who have labor to sell will wait for their pay until the factory is running. Of course, they cannot do this unless they themselves have at least a supply of food and clothing sufficient to last until my factory is doing business. Very likely the workmen may not have this. There is still another way out of the difficulty. If my neighbor, or some one else who knows me, has a supply of food, or, what is the same thing, of money, which he will loan me, I can then pay the workmen and build the factory. The great factories and railways and businesses of today are very largely carried on by some form of credit. Men make plans for building automobiles or some other article for which they believe there will be

a demand. They go to banks or other sources and borrow money or arrange for credit. In this way, the earning power of an invention or of a large number of men is organized, or, as we may say, capitalized. The capital required to build a great steel plant is between twenty and thirty million dollars. The United States Steel Company, which owns several mills and a great amount of iron ore, was capitalized at about a billion dollars. The great railways have capitals of hundreds of millions.

Banks as
agencies
of credit

As suggested above, banks are the great agencies for bringing together those who have money to lend and those who wish to borrow money. They can supply credit for almost any enterprise, from the establishment of a new grocery store to the building of a great factory or railway. There are three main kinds of banks. Savings banks are the simplest. They receive the savings from a great many small depositors. They loan these to the railroads, to cities and towns, or to those who have real estate, for long periods upon very good security.

In the second place, there are investment banks which make a specialty of investing large sums of money profitably and safely. Their investments usually take the form of the purchase of stocks and bonds, and therefore they perform the second function of supplying the railroads and great industrial concerns with capital. Furthermore they are the medium through which savings banks and insurance companies invest in the securities of the large corporations. For they keep in touch with the stock and bond market and so are able to make more advantageous investments than are directly accessible to the small local savings banks.

Third, there are the commercial banks. The na-

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tional and state banks are usually of this sort. They loan money or give credit for short periods, and usually help the merchants and manufacturers. A miller wants to buy wheat. He expects to sell flour and then get money with which to pay for the wheat, but the farmer may not want to wait. The bank loans the money with which to buy the wheat, and expects to get it back when the flour is sold. The importance of such commercial loans can only be appreciated when we know that this bank can loan money on short time notes far in excess of its actual cash deposits by giving borrowers checking accounts. The cash which a bank has on reserve to meet the demand of those who wish to cash checks need be only 12% or 18% of the total of the checking accounts of the bank's customers.

The corporation as owner and manager

Its strength (1) from union

CHAPTER XVI

THE CORPORATION AS A MODE OF COÖPERATION

IN the beginnings of the Industrial Revolution a factory might be built by one man; a small steamship or even a short railway might be owned by one individual; but as larger and larger factories were built, as railroads connecting distant points and costing vast sums were planned, it was soon found to be far safer and more convenient for many persons to unite and form a corporation to own and manage such a great plant. "Corporation" is from the Latin word meaning body.

It may be regarded as a new type of coöperation. Cities, as we have seen, were bodies of people living together and coöperating for defense, for trade, or for religion. Dwellers in modern cities coöperate, i.e., for fire protection, water supply, disposal of sewage, maintaining streets, support of schools, and care of health. Cities are called public corporations and are granted charters by the state which give them power to act as a body. Churches, colleges, and societies for mutual benefit may be incorporated as private corporations, not for profit. Banks, railroads, manufacturing companies are corporations for profit. The members of such corporations do not need to live near together, or to speak the same language, or to be of the same religious belief or social class. They may be scattered

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over the country or over several countries, and yet combine their money in one enterprise. It is a remarkable source of power.

The corporation is in one respect a peculiarly safe way to combine, for the members do not risk all their property. They risk only what they choose to invest. People in early times had sometimes united in partnership. But in a partnership, if the business should not be successful, each partner would usually be liable for all the debts. This would make partnership risky. The corporation is a very convenient plan for limiting the amount to which any single member can be held responsible. If a thousand men subscribe a thousand dollars apiece to form a million-dollar corporation, then no one is liable for more than a thousand dollars.*

(2) from limited liability

In another way also the corporation is strong. It does not necessarily die. It may become bankrupt, or be dissolved, but if prosperous it may live on indefinitely. If one member of the corporation dies, his share can be sold to some one else without difficulty and the corporation itself can continue permanently carrying on the business. It is for the same reason able to offer security when it borrows money; the individual officers who did the borrowing may be dead or gone, but the corporation is responsible.

(3) from permanence

Still further, certain corporations such as railroads, have the power to take possession of land for their right of way. The owner is, of course, to be paid, but he cannot prevent the railroad from taking his land, nor can he refuse to sell except at his own price, as he may in case the land is sought by a private individual.

* Stockholders in national banks are liable for double the par value of their stock, e.g., the holder of a hundred dollar share is liable to be assessed an additional hundred dollars.

Charter

The authority to combine and exercise such great powers, just as in the case of public corporations, is granted by the state in a document called a charter.

**Stocks
and
Bonds**

The charter grants the men who are organizing the corporation the right to issue stock. That is, they divide the ownership of the corporation into as many shares as they choose and sell those shares, usually reserving a considerable number for themselves. Whoever purchases any number of shares is a part owner of the corporation. He has one vote for every share of stock which he owns. But the corporation may need more money than is subscribed by the purchasers of shares of stock. The charter therefore authorizes the stockholders or owners of the corporation to borrow money. They do this by selling bonds. Each bond is really a mortgage upon the property of the corporation. The bond provides that the corporation will pay a given rate of interest on the money borrowed, and will return the principal at the expiration of a certain fixed period. The total value of all the stocks and bonds which the corporation issues is called its capitalization. The stocks and bonds are the securities which the corporation gives to the men who subscribe the capital with which the industry is to be carried on. The corporation thus affords a very convenient method for investment. It enables a man who has a little money to share in a business enterprise without putting all his eggs into one basket. Moreover, a man who wishes to invest his money safely so that he will be very sure that it will draw a fixed rate of interest for a long time can buy bonds. And the man who is willing to risk losing his money on the chance of reaping big profits can buy stock. This has tended to encourage

saving, and thus, like the invention of machinery, has promoted the growth of capital.

Finally, the corporate way of doing business enables men to get the benefit of expert managers. A great many people who know little about business have a little money to invest. By placing it in a corporation, electing directors who understand something about the business proposed, and through the directors securing managers, superintendents, and foremen, who are experts, the business can be efficiently carried on.

For these and other reasons, the larger part of the manufacturing in the United States is now under the management of corporations, as is shown by the following table:

MANUFACTURES CLASSIFIED ACCORDING TO THE CHARACTER OF THE OWNERSHIP OF THE ESTABLISHMENT (1910 Census, U. S. A.)*

| Character of Ownership | Number of Establish. | Per Cent | Value of Product, Millions | Per Cent |
|------------------------|----------------------|----------|----------------------------|----------|
| 1899 * | | | | |
| Individual | 171,832 | 62.8 | \$ 1,897 | 15.7 |
| Partnership ... | 62,613 | 22.9 | 2,927 | 19. |
| Corporation .. | 37,123 | 13.5 | 7,602 | 65. |
| Other | 2,074 | 8 | 31 | 3 |
| Total | 273,642 | 100.0 | 11,697 | 100.0 |
| 1904 | | | | |
| Individual | 113,946 | 52.7 | \$ 1,703 | 11.5 |
| Partnership ... | 47,934 | 22.2 | 2,132 | 14.4 |
| Corporation .. | 51,097 | 23.6 | 10,904 | 73.7 |
| Other | 3,203 | 1.5 | 54 | 4 |
| Total | 216,180 | 100.0 | 14,793 | 100.0 |
| 1909 | | | | |
| Individual | 140,605 | 52.4 | \$ 2,042 | 9.9 |
| Partnership ... | 54,265 | 20.2 | 2,184 | 10.6 |
| Corporation .. | 69,501 | 25.9 | 16,841 | 79.0 |
| Other | 4,120 | 1.5 | 105 | 5 |
| Total | 268,491 | 100.0 | 20,672 | 100.0 |

* Figures for 1899 include 66,128 establishments in industries not included in the censuses of 1905 and 1910 as manufactures. These establishments cannot be classified accurately; but as most

Two things should be noted in connection with these figures. First, the percentage of non-corporate manufacturing firms has steadily fallen during the years covered. Second, although the corporations are far outnumbered by the private businesses the value of the products turned out by corporations far exceeds the value of the products of all other forms of organization. In 1909 nearly four-fifths of the business of the country was done by corporations.

Dangers
in corpo-
rations

It may be noted further that the corporation plan is undoubtedly advantageous or it would not have had such an extraordinary growth. It has, however, certain dangers which are very easy to see. A corporation enables a great number of people, sometimes many thousands, to unite their savings in a profitable business. But just because there are so many, no one of them has very much responsibility. They elect directors, but the directors cannot consult all the stockholders, and many things may be done by them which the stockholders would not approve. Many of the conflicts between the corporations and workmen have arisen because the real owners of the property did not know the workmen. To work for a corporation is often said to be like working for a machine.

Another danger in the corporation is that it is formed for one single purpose; that is, for profits. A man may wish to make money, but he is likely also to be a neighbor, a friend, a citizen, and all these relations tend to make him kind, reliable, and public-spirited. The corporation may be reliable, for it can be sued in court if it does not pay its debts or carry of them were small, a very large proportion were owned by individuals and partnerships. They have been counted here as owned by individuals.

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out its promises. But no one expects a corporation to be very considerate of people beyond what is required by law, and no one expects the corporation to be public-spirited in the same sense in which we may expect this of a citizen. Of course, the managers of corporations may themselves be considerate and public-spirited. In many cases, they may find it to be good business policy to conduct the corporation so as to serve the public and make friends. But the primary duty of the managers has usually been regarded as that of so conducting the business as to secure profits for the stockholders. This has frequently brought such great corporations as the railroads into conflict with the public, and now the courts hold that certain corporations, which are, as they say, "affected with a public interest," must consider their duties to the public as well as their duties to their stockholders. In many cases, indeed, the duty to the public is held to be superior.

CHAPTER XVII

THE TENDENCY TOWARD GREAT INDUSTRIES AND TRUSTS

WE have noted four great forces which belong to the Industrial Revolution, using the term in its broadest sense. These four are the invention of machinery, the growth of capital, the growth of banking and credit, and the formation of corporations. The great possibilities of these four forces were not grasped at once. But in recent times the tendency has been to form larger and larger corporations which carry on great industries by the aid of vast capital and credit. These great corporations are often called trusts, although they are not trusts in the proper sense of the term. In the United States before 1890, if several individuals or corporations desired to combine, they sometimes formed a trust in the older sense of the term; that is, they turned over their property to certain trustees who were to manage it for the owners, but in such a way that the firms would coöperate instead of compete against each other. In 1890 a law was passed by Congress called the Sherman Act, which forbade any contracts or agreements in restraint of trade. After the passing of this law, men in the same line of business who wanted to unite proceeded to form one great corporation instead of making agreements and appointing trustees. The name

Why
called
trusts

"trust" is still applied to these great corporations.

Some corporations have grown to be very large simply because they have kept up with the growth of the country and added new customers. Telegraph and telephone companies naturally add to their subscribers as population increases. In the past thirty years—1885 to 1915—the gross earnings of the Bell system have increased from \$10,083,600 to \$239,909,649. Sears, Roebuck & Co. have built up their great mail order business, which now has over 6,000,000 customers and does a business of over \$150,000,000 a year.

A second method of forming great organizations has been by combining several industries or corporations which are already in existence. Several firms making cloth or mowing machines or flour may find it more profitable to combine than to compete with each other. The American Woolen Co., the International Harvester Co., the U. S. Steel Corporation are examples. Moreover, such firms as these are likely to expand by getting control of raw materials and the means of transporting them. For example, the U. S. Steel Corporation not only includes steel mills, but owns iron, coal, and limestone mines; steamers and railways for carrying ore; iron furnaces, and other plants. The Harvester Co. owns forests and mines, cuts its own lumber, and makes some of its own steel.

In the United States, railroads first showed the tendency to combine on a large scale. Early railroads were short. In 1850 no single line was 500 miles long. Within the last fifteen years the important railroads of the whole country have been so far consolidated and brought into groups that nearly two-thirds of the whole mileage belongs to eight groups.

Methods
of growth

Railroads

Manufacturing

Manufacturing shows in recent years the same tendency as the railroads; the number of establishments does not increase in any such proportion as our population. In fact in many industries it remains constant or decreases. But the size of the establishments, the value of the products, the average capital, and the average number of men employed show great increase.

AGRICULTURAL IMPLEMENTS

| Year | No. Establishments | Wage earners. | Capital (in millions) | Product (in millions) |
|------------|--------------------|---------------|-----------------------|-----------------------|
| 1850 | 1,933 | 7,220 | \$ 3.6 | \$ 6.8 |
| 1860 | 2,116 | 17,093 | 13.9 | 20.8 |
| 1870 | 2,076 | 25,249 | 34.8 | 52.1 |
| 1880 | 1,943 | 39,580 | 62.1 | 68.6 |
| 1890 | 910 | 38,827 | 145.3 | 81.3 |
| 1900 | 715 | 46,582 | 157.7 | 101.2 |
| 1905 | 648 | 47,394 | 196.7 | 112.0 |
| 1910 | 640 | 50,551 | 256.3 | 146.3 |

IRON AND STEEL

| Year | No. Establishments | Wage earners | Capital (in millions) | Product (in millions) |
|------------|--------------------|--------------|-----------------------|-----------------------|
| 1850 | 468 | 24,874 | \$ 21.9 | \$ 20.4 |
| 1860 | 542 | 35,189 | 44.6 | 52.8 |
| 1870 | 808 | 75,037 | 121.8 | 207.2 |
| 1880 | 792 | 133,023 | 209.9 | 296.6 |
| 1890 | 719 | 171,181 | 414.0 | 478.7 |
| 1900 | 668 | 292,607 | 590.5 | 804.0 |
| 1905 | 605 | 242,740 | 948.7 | 905.9 |
| 1910 | 654 | 278,505 | 1,499.3 | 1,377.2 |

COTTON GOODS

| Year | No. Establishments | Wage earners | Capital (in millions) | Product (in millions) |
|------------|--------------------|--------------|-----------------------|-----------------------|
| 1850 | 1,094 | 92,286 | \$ 74.5 | \$ 61.9 |
| 1860 | 1,091 | 122,028 | 98.6 | 115.7 |
| 1870 | 956 | 135,369 | 140.7 | 177.5 |
| 1880 | 1,756 | 187,587 | 219.5 | 192.1 |
| 1890 | 905 | 218,876 | 354.0 | 267.9 |
| 1900 | 1,055 | 302,861 | 467.2 | 339.2 |
| 1910 | 1,324 | 378,880 | 822.2 | 628.4 |

Causes
for rapid
growth

The growth of great corporations evidently means the arrival of a great power. It may be compared with the formation of great cities and nations, which

introduced a new power as compared with the older organizations by tribes and clans. They represent union and coöperation on a larger scale than the small firm. Many specific causes for the rapid growth of great corporations have been stated. Some belong on the manufacturing side, others on the selling or marketing side of the business. We may illustrate each of these.

The great corporation with its large capital is able to do more and more by machinery. In the iron and steel business ore is shoveled into cars by the steam shovel, taken by rail to Lake Superior, loaded into steamers and brought to Chicago or Lake Erie points. Here two men with an engine and steam shovel, which seizes six tons at a time, unload two steamers a day. In the process of steel making the fused iron is turned into the Bessemer converters, the liquid steel is poured into ingots, these are placed on rolls which send them back and forth between huge cylindrical rollers which gradually fashion them into steel rails or plates,—and the huge masses are handled by machinery throughout. Enormous magnets pick up great steel plates, weighing tons, as easily as one picks up a nail with an ordinary magnet. A few men move the levers which control the whole series of operations. To build and use such expensive machinery is the most economical way to handle the steel. In fact, one sees that it is practically the only way. But it evidently would not pay unless the machines could be kept working. Indeed in the steel plants some are kept going twenty-four hours a day. This means that the firm must use enough ore and sell enough rails to keep the machines busy. If the machine does the work of a thousand men, a firm must give it work to do. To have it idle is like paying

Economical use of machinery

a thousand men wages when they are not at work. It takes a large firm to buy such machinery and to sell the great amount of produce which such machinery turns out.

Less skilled labor

Another gain in a large plant is by subdividing the process, and hiring cheaper labor for certain parts. When each butcher killed and dressed his own beef, he needed to be a fairly skilled man. He must not make a mis-stroke with his knife in removing the hide. He must be strong to lift the heavy cuts. But by dividing the work, only one man need work upon that part of the hide which needs the most skill. A large number of operations can be performed by unskilled men, by boys, and by women and girls, at much lower wages, while enough machinery can be used to keep the speed of all at its highest point.

Use of by-products

Another advantage claimed for the great establishments is the use of "by-products." Soap factories and glue factories spring up beside great slaughtering plants. Cement works utilize the slag from iron furnaces. Other advantages are that the great industries can buy in large quantities, can maintain a staff of experts, and do not have so great office expenses in proportion as does a small plant.

Elimination of competition

On the selling side, the great motive for forming combinations has been the desire to get rid of competition. A railroad or steel plant must invest a large sum at the outset. Its expenses are nearly as great for a small business as for a large. Hence it is almost necessary for it to do a large business if it is not to fail. This leads to intense competition, to expensive advertising, and sometimes even to selling goods at a loss in order to keep customers. If competing companies can combine, they can eliminate waste due to

competition and also can maintain a price which will yield a profit. This desire to get rid of competition was very prominent in the formation of the Standard Oil Company. Before this company succeeded in getting control of a large share of the oil business, the many independent owners of oil wells were producing oil in great quantities, while the market for it was not steady enough to take care of the supply. The oil-well owners competed with each other so keenly that prices were rapidly lowered. Many refiners failed. In an attempt to avoid this cut-throat competition, a group of men succeeded in buying up one refinery after another. The group was greatly aided in this venture by the low rates and rebates which it secured from the railroads. Later it introduced great economies in operation. When it obtained practical control of the market, the price of oil *nearly ceased to vary*. The business then became highly profitable. It was the fear of the ruinous competition threatened by the Carnegie mills that caused the foundation of the United States Steel Corporation.

This elimination of competition introduces all the problems of monopolies.

Perhaps the greatest single factor in disturbing our old views about the right policy for the government to maintain toward business was just this fact. We had supposed that competition was the general practice, and had based our views of right and wrong largely on that theory. When monopoly came in and began to drive out competition it made us question whether the government as representing the whole community ought merely to let business alone and look on without interfering while monopoly controlled. This will be discussed in a later chapter.

CHAPTER XVIII

SOME EFFECTS OF THE INDUSTRIAL REVOLUTION

(1) Increase in wealth

THE first and most evident result of these great changes which we have outlined is a vast increase in production and so in wealth. More food and clothing, a greater variety and quantity of comforts and luxuries are in the world. Great Britain, in which the Revolution began, has grown so wealthy that at the outbreak of the war in 1914 its people were loaning something like a thousand million dollars a year to other countries. The United States has been doing so many new things—building railways, mills, automobiles—that it has found ways to use its savings at home, but no one who reads about the conditions of life fifty years ago, can help recognizing that people now have a great deal more money to spend, and spend it more freely. In this country, the great increase of wealth has been due in part to the fertile prairie soil, to the easily obtained coal and iron, gold and oil. But under old conditions, a large part of the value of the corn, wheat, and coal would have been spent in getting them to market, and the time of the women would largely have been spent in spinning and weaving the wool and cotton.

(2) More people

This increase in wealth has been used in several ways.

First, it has kept more persons alive. Only about half a million Indians were living upon the land now occupied by the United States when the white men

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came, and, so long as they lived by hunting, they probably could not increase greatly. Many more could live here when the land was tilled by farmers, but population increases slowly so long as agriculture is the only pursuit. In England, at the close of the eighteenth century, people began to worry seriously as to the prospect of finding enough to eat in case the population should increase. A clergyman named Malthus pointed out that the earth does not increase its supplies of food indefinitely, and Darwin took from his discussion the idea of a struggle for existence in which all animals are obliged to engage, because more are born than find a living. Now Professor Willcox, the statistician, estimates that the population of Europe more than trebled between 1760 and 1905, and that it almost doubled between 1820 and 1900. He further notes that it increased by about 100,000,000 between 1820 and 1872 or in fifty-two years, and by another 100,000,000 between 1872 and 1905, or in thirty-three years. At the same time a great many have emigrated from Europe to other parts of the world, so that persons of European stock living outside of Europe in 1900 were three-fourths as many as the entire number of inhabitants of Europe in 1750. Note that in Great Britain, in which this industrial change began earliest and has been most complete, the population has increased five-fold since 1750. The growth of France, Italy, and Spain, about two-fold, has been far less rapid. While we cannot say that the Industrial Revolution is the only reason for this difference, it is probably a very important reason.*

* Professor Willcox estimates the population of Great Britain in 1751-5 as about seven and a half millions. Spain and Portugal numbered about ten millions in 1750, twenty-four in 1900; France twenty-two in 1750, thirty-nine in 1906. Germany

Further, we must note also that in countries where the influence of Europe has not gone, the population has been practically stationary.

(3) More food and comforts

This great increase is not because more children have been born in proportion than used to be born. It is because fewer die young. It would not be fair to say that this increase in length of life is due entirely to the inventions of the Revolution; in fact we shall have to notice that these very inventions have indirectly added many new dangers to life and health. Some of the gain is due to better medical knowledge. But probably a great part of the gain is because of more abundant supplies of food, better protection from hardships, and a generally more prosperous condition.

(4) Shorter hours

The Revolution enabled men to support themselves by working fewer hours. When the Industrial Revolution began long hours were the rule. Farmers had long been accustomed to rise with the sun in summer, and this gave a day of thirteen or fourteen hours. When factories were opened these same hours were observed, even for little children. About the middle of the century, John Stuart Mill, the great economist, declared that it was doubtful whether all the inventions had diminished the toil of a single human being. Since then, however, hours in almost all industries have been reduced to ten or less. The gain in the shorter hours for women's and children's work has indeed come not of itself but largely by legislation. The fact that hours have been reduced without, for the most part, a reduction in wages, shows that increased production has

stands between, increasing from about seventeen millions in 1750 to sixty in 1905. *Studies in Philosophy and Psychology, in Commemoration of Charles E. Garman.*

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made shorter hours possible. In some cases the speed of work has been so highly increased that the workman may be as tired at night as he formerly was. But this is not always the case.

Another gain is that the world now has a store of capital that can be used for great undertakings, such as building canals, bridging wide rivers, tunneling mountains, making experiments in science, and making better provision for the sick. All these great enterprises require a large capital although in the end they prove profitable and useful to mankind. In earlier days it was far more difficult to get together the funds needed for such works. Now, it is comparatively easy to undertake what is reasonably certain to meet human demands.

A hundred years ago the great majority of people had very little education. Books were scarce. There were few libraries generally available, and few could afford to buy books for themselves. Newspapers and such reading as we have now in the magazines were also rare. The thought that every child should learn at least to read and write and use arithmetic and in addition have some knowledge of the history of his country and of geography is comparatively an idea of the past century. The great growth in education, newspapers, and books has been due in part directly to the inventions of the century which have made it possible to print far more cheaply, but in part also to the fact that there has been more money with which to provide schools and books.

A striking effect of the factory system is the employment of women and children away from home. Before the Revolution women and girls worked in their own

(5) Surplus for great undertakings

(6) Education and books

(7) Effects on women and children

homes, or else at housework in other homes. On farms boys helped their fathers. But the new machinery took a large part of the industries out of the home. Weaving, spinning, tailoring, soap-making, and many others went into factories. Women and children went with them. In England frightful conditions prevailed. Children were taken from poorhouses and worked thirteen or more hours a day. They were flogged to keep them up to their tasks.

In the United States not so many children in proportion were employed in factories and shops in the earliest years as later, whether because parents were not willing to allow it or because there was not so much which children could profitably do. No statistics are available before 1870. For the period 1870-1910 they are as follows:

| | Total number of children 10 to 15 yrs. | Number of chil- dren at work of same age | Per cent of total number |
|------------|--|--|-----------------------------|
| 1870 | 5,604,369 | 739,164 | 13.1 |
| 1880 | 6,649,483 | 1,118,356 | 16.8 |
| 1890 | 8,322,373 | 1,503,771 | 18 |
| 1900 | 9,613,252 | 1,750,178 | 18.9 |
| 1910 | 10,828,365 | 1,990,225 | 18.4 |

The rapid increase from 1870 to 1880 may have been due in part to the rapid immigration. Children of parents who do not speak English can often find work more easily than their parents. But the general tendency is to increase the number of women and children employed except where this is restricted by law. This is shown by the changes in England, where they have no immigration. Professor Hobson in his *Evolution of Modern Capitalism* compares the numbers of men and women employed in ten principal industries for fifty years, 1841-1891:

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| | Men | Women |
|------------|-----------|-----------|
| 1841 | 1,030,600 | 463,600 |
| 1891 | 1,576,100 | 1,447,500 |

The men increased by only 53% while the women increased 212%.

The figures showing the number of women in the United States 16 years and over, working for wages or other form of separate income, and the percentages which these make up of the whole number of women of 16 years and over are:

| | 1870 | 1880 | 1890 | 1900 | 1910 |
|-------------|-----------|-----------|-----------|-----------|-----------|
| No. | 1,836,288 | 2,647,157 | 4,005,532 | 5,319,397 | 7,438,686 |
| Per cent .. | 14.7 | 16.0 | 19.0 | 20.6 | 25.5 |

Another way of looking at the changes in the employment of women and children is to ask what part they form of the whole number of workers. The following figures based on United States census reports on Occupations, show very clearly that more women were employed in 1910 as compared with men, than in 1880. The proportion of girls under 16 remained the same; that of boys under 16 showed a slight decrease.

Per cent distribution of men, women, and children engaged in gainful occupations: 1880 and 1910:

| 1880 | | 1910 | | | | |
|-------------|---------------|-----------|-------------|-----------------|-------------|--------------|
| | | Men 16-up | Women 16-up | Children | 10-15 | |
| 80.0 | 13.5 | | | Total 6.5 | Boys 4.8 | Girls 1.7 |
| Men 75.3 | Women 19.5 | | | Children 5.2 | Boys 3.5 | Girls 1.7 |

Other effects of the Industrial Revolution are the increasing division of labor and the rapid growth of cities. The first of these is on the one hand constantly opening up new occupations and handing over to

machines the more exhausting tasks; on the other hand it occupies many workmen at very monotonous and uninteresting work. The rapid growth of cities gives rise in turn to so many important consequences that it must be reserved for later treatment by itself.

(8) The
wage-
system

More important perhaps than all else has been the change to the wage-system with its new class division into employers and employed, or capitalist and wage-earner. When cloth and shoes and other articles were made by the worker in his own house, he owned his tools. He was, thus, in a small way, a capitalist himself, just as the farmer who owns his farm and his cattle is both a capitalist and a worker with his hands.

In the United States a hundred years ago very few were working for wages. Farmers carried on their farms with the help of children and neighbors. The shoemaker or blacksmith or cabinet maker was his own master. The village store might employ boys for a time but they were expected to set up for themselves later. The stage-driver very likely owned his own horses and coach. On the other hand, in the year 1900, out of 29,000,000 who were engaged in gainful occupations, probably over 20,000,000 were working for wages.

If we look at the census tables, we see that it is not in farming but in mining, manufacturing, transportation, clerical work, and teaching that the great changes have come about. In the first four of these classes the change is evidently the direct result of the Revolution. Because the loom or forge became a factory, or the stage-coach became a railroad, the workman could no longer own his tools; he had to work for some one else who could build the factory or the railroad.

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The enlarged shop and bank with their increased clerical force may not seem to be so directly the result of the Revolution as are the changes in manufacturing, but they are in large part due to the growth of cities which is one result of it. The great number of girls and boys in stores, in telephone exchanges, in factories is also due to the fact that in cities there is nothing for them to do at home, in comparison with what there was when all the spinning, weaving, soap making, preserving, candle-making, bread-making, and meat-packing were done there. The cause of the great increase in the fifth class, teachers, comes under another head, namely the increased activities of the government.

There are two characteristics of the work of the wage-worker. First, as contrasted with the farmer, he is not so independent of others. He usually owns no tools and so can work only if some one else provides the tools and the job. Secondly, so long as he has steady work he has no risks and no profits. In this respect he differs from the capitalist who takes risks and sometimes makes large profits while at other times he suffers losses. The wage-worker has, indeed, his own risks which are more serious than risks of profit or loss. They are risks of being out of work, because of old age or of general business conditions which he cannot control, and risks of accident or disease.

The result of this second difference is that the wage-workers may live more or less comfortably but never become very rich. On the employing side many fail, but some win such dazzling profits as to make the contrast between the successful capitalist and the wage-worker greater in many ways than that which used to exist in the Middle Ages between the lord and the villein.

**Effect of
wage-
system on
workers**

A very important question as bearing on the working of the wage-system is the question whether the wage-workers share in the great increase of wealth which we noted in the earlier part of this chapter.

What makes it difficult to say whether working people have gained is that rates of wages are often very deceptive. Wages are now much higher than they were a hundred years ago, but the important question is whether a workman can buy more with his wages than he could with the wages of a hundred years ago. On the one hand we are all interested in our "income," but on the other we are all interested in the prices that we must pay for the things we need or desire. Prices of most articles fell during the first half of the century to about 1850. Then they rose to about 1874. From 1874 to 1896 they fell again. Since 1896 they have been rising. Some articles which all of us use have fallen greatly in price; one of these is sugar, which a hundred years ago was a luxury and now is a common necessity. Cotton cloth is far cheaper. Salt, which is now so cheap and abundant, sold at from two to three dollars a bushel. Nails and other hardware for building houses are also far cheaper. So far as workmen are consumers they have gained by this fall in price. Nevertheless working people seem to have lost rather than gained during the first part of the nineteenth century. Times in England were then especially hard. In the next two periods from 1850 to 1874, and from 1874 to 1896, one of rising the other of falling prices, working people seem to have gained. One estimate is that in England real wages, measured by what men could buy with their wages, increased between 1850 and 1875 in the ratio of 95 to 132, and from 1875 to 1900 in the ratio of 132 to 169. This would mean

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that men getting \$0.95 a day in 1850 would be getting \$1.69 in 1900 and not have to pay any more for their food and clothing. American prices made some very sudden jumps during this period, especially at the time of the Civil War, but there was undoubtedly a general increase in real wages. Since 1900, however, it is held that the rise in wages has not kept up with the rise in prices, especially for unskilled workmen. It seems to be true that the increase in wages during the past century has largely gone to the skilled workmen. Unskilled workmen are not much better off than they were. Farm laborers have not gained so much as clerks and workers in the skilled trades. The low wages of the great numbers of unskilled workingmen and working women are still a serious problem.

When the factory system was first introduced it (9) Class division did not make a sharp separation between owners and workmen. In many cases all came from the same stock. Factories were small. The owner often worked in his factory side by side with the men whom he hired. A picture of the conditions in the early Lowell mills has been given by Lucy Larcom, who was herself a worker there:

"Work began at five o'clock on summer mornings, and at daylight in the winter. Breakfast was eaten by lamplight during the cold weather; in summer, an interval of half an hour was allowed for it, between seven and eight o'clock. . . . The only hours of leisure were from half-past seven or eight to ten in the evening, the mills closing a little earlier on Saturdays."

The children did not work continuously. "It did not often occur to us that we were having a hard time.

The cruel hardships of children in the collieries and factories of Great Britain we silently wept over, wishing we might do something to relieve their miseries.

. . . The oldest and the youngest of us often wearied of the long work day, and of the continuous moan and clatter of machinery. . . . But the unillumined darkness of those poor English children's lot seemed as remote from us as what we had read of heathen nations that sacrificed their little ones to idols."

The conditions of discipline, so different from those at present found in factories, are illustrated by the statement that one operative pinned up on a post of her dressing-frame a mathematical problem she and her companions solved as they paced up and down mending the broken threads of the warp; another studied leaves from a book on philosophy, another committed verses from the Bible, and still another, going on with the study of French, would get excused from her work for an hour twice or thrice a week to recite to a teacher outside. Many taught school in summer and worked in the mills in the winter. These conditions are in strong contrast with the conditions in a city factory of today whose windows show only brick walls or dreary successions of back stairs and house-tops (if indeed the smoky atmosphere permits anything to be seen), and whose machinery is often speeded to the limit of the workers' capacity.

Slips of poetry "were frequently seen pasted up and down the sides of the window recess, where a girl sat watching her work between thinking and dreaming. One such I remember, where I used to sit, a very young spinner, refreshing myself alternately with the blue river and the lovely landscape beyond, and with some

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scrap of poetry upon the wall beside me, which was also another window, opening into the unseen."

Perhaps the most striking things as to the social conditions was that the girls formed no "class." There were daughters of farmers, clergymen, physicians, or men of business, and they looked upon their work purely as temporary, returning after a little to their homes in the country.

"Certainly we mill girls did not regard our lot as an easy one, but we had accepted its fatigues and discomforts as unavoidable, and could forget them in struggling forward to what was before us. The charm of our life was that it had both outlook and outlet." *

The factory today makes classes. By bringing men to work together in one building it is constantly making them acquainted and grouping them. Further, to work with machines, it is claimed, gives a different temper than to work at a desk or in a shop. The trade unions form more easily under such conditions. As factories grow larger there is less contact between employers and workmen. As profits have accumulated, greater differences in the style of living have followed. In cities the owners live in a prosperous region, the workmen live near the factory or in cheaper residence districts. Owners and workmen are then no longer neighbors as in earlier days. Many owners do not even live in the towns in which their factories are located and hence know nothing of how the workmen live, to say nothing of knowing them personally through churches or political parties. Finally, the factory system has stimulated immigration, and thus contributed to bringing to America a great multitude

How the
factory
makes
classes

* Lucy Larcom "Among Lowell Mill Girls"; *The Atlantic Monthly*, 1881, Vol. XLVIII.

of various races and languages. When the owner and workman belong to different races and speak different languages, the division between them is likely to be greater.

Social classes in this country are not so fixed as they are in Europe. People who begin working with their bare hands and have unusual ability are constantly rising to positions of large responsibility. Presidents of railroads, banks, and manufacturing companies are frequently men who have begun at the bottom. The common schools, high schools, colleges, and universities are open to all. But there are also forces constantly at work to divide us into distinct social classes, and the more clearly we see these the better we can deal with them.

CHAPTER XIX

THREE PRINCIPLES OF BUSINESS AND INDUSTRY

To one who for the first time looks upon a game of football, men seem to be rushing about, tumbling over each other, bumping into each other, hit or miss. But if the spectator makes inquiries, he finds that the men are playing a game according to very definite rules. These rules have been framed to give players and spectators the greatest amount of enjoyment. They provide for a sport that shall have the thrill of excitement and the tense feeling which goes along with rivalry and overcoming obstacles, with taking risks and achieving daring exploits. But they guard against foul play. There is no glory in winning unless the sport is clean.

The business of getting a living at the present day has often appeared to the observer to be a confused rushing about, in which men strive to crowd their way through others and over others with no very clear purpose, except to win something. Yet, as in football, there are certain rules of business which have as their purpose to make the game fair. The game of business is a game that all, or nearly all, of us must play. It is based both on our need of getting a living and also on the interest we take in doing or achieving. It calls out our instinctive rivalry. It has to be controlled in

order that the men who play it may not forget the greater business of living, namely, living well.

First it is natural to ask who made the rules of business and what are the reasons for them.

(1) Business law

(2) Rules made by public opinion or conscience

The rules of business may be classified under two headings. First, come those which are so thoroughly established that they have been embodied in business law. The second class is made up of rules about which there is still room for question and discussion, either because they relate to new conditions in business about which men have not yet made up their minds, or else because they refer not so much to precise and definite acts as to the spirit in which men conduct their business. In this second class fall questions as to what is fair or what is public-spirited. The first class of rules goes back to early customs of traders and merchants. For a long time in England these were under the care of separate courts, enforced, however, like other customs and laws, by the power of the king. Finally the law merchant, as it was called, was taken into the system of laws for the whole realm of England called the Common Law, and in that form it was taken over by the United States as the basis of our business law. The second class of rules, which is enforced not by law, but by public opinion and by the conscience of each of us, is not so settled. Some of its principles, however, are constantly getting cleared up and being enacted into laws.

We may further make a subdivision in this second group and say that some practices represent what business men generally agree upon as honest and right and that others represent a higher standard than prevails on the average. The man who is seeking not only to do as public opinion requires, but to do better, is,

we say, not only honest but honorable. Or we may say he has a high sense of honor.

Mr. Edward D. Page, in a lecture on "Morals of Trade in the Making," speaks of these three levels or standards of action as those of law, honesty, and honor, and says a man instinctively places other people in groups corresponding to these levels. It is convenient for his purpose to take these in reverse order.

In the first group a man places his family and friends, honor those with whom he comes most constantly in contact. To these he feels he owes it to be Honorable.

In the second group he puts those with whom he has honesty common interests and common dealings, his profession or trade-union, with whom he is personally acquainted, people whose favorable opinion he naturally solicits. To them he tends to practice Honesty.

The third group includes the general public, persons far away, or unknown, or in a different economic class, supposed to be adverse to him. Producers and middlemen, employer and employee are likely to place each other in this third group. To most persons this is a relation in which his government stands to him—something impersonal, remote, almost negligible. This is the group of the stranger, and in dealing with this group we tend to satisfy ourselves with what is compelled by Law.

But as civilization goes on, we are constantly brought into closer relations with larger groups of people. We trade with people of the third group, and are perhaps slow to recognize that we should be honest with people whom we never have seen and never shall see. On the other hand, some of the principles of Honor are from time to time added to the code of

Three
levels
and three
groups

law

Honesty, and some of the rules of Honesty are put into Law and enforced by it.

There are some details in Mr. Page's account which one might wish to change. For example, probably many trade-unionists would put their duties to the union in the first group. It may be said, too, that Honesty is used more for economic relations, while Honor has more of the personal element in it. Hence one feels the sentiment of Honor in such a group as a family or club. But in the main, men doubtless feel much as Mr. Page describes.

There are a great many specific rules in business law, and a great many specific practices that are honest or dishonest, honorable or dishonorable. But there are a few fundamental principles that are at the basis of good business and good citizenship. As we grasp these principles and the reasons for them we can work out details. Indeed we have to work out our own conduct for ourselves because business conditions change so often that rules have to be changed to conform to them.

In seeking a simple statement for the principles of business we may refer again to our analogy with football or other sport. Every player must, we say, play to win. Only in this way can he bring out his full strength and wit. Only in this way will he get the full thrill of excitement and give to the spectators their greatest enjoyment. But if it is real sport there is one thing more important even than winning, namely, playing fair. It is more important that there should be a game than that this side or that side should win. The rules are designed to make sure that while each does his best to win he must do it in definite ways which the other party understands and can count upon.

Similarly, in business we may say that each one de-

res to win. The stake in business is first to get a wing and then to supply more and more wants. In ivileged life the convenient measure for winning is money. Hence it is convenient to say that the ruling motive in work and business is desire for gain, for pay. This does not mean that men are seeking money for its own sake. A man who thinks just of the money we call miser—that is, a miserable, wretched man. The ordinary man wishes money for the sake of satisfying other wants—for himself, for his family, for his friends, or those who need help. Nor does it mean that this desire for money and what it will buy is the only motive that men have in life, or even in business. Men desire friends, home, the good opinion of their fellows, and the satisfaction of an approving conscience, none of which can be bought. They like in business or labor to do their work artistically or in a workmanlike manner. The scientist loves to make a discovery and the musician or artist to make music or paint a picture, just as a tennis player enjoys making a fine stroke, or a ball player a difficult catch, even if it does not make any difference with the result of the game. Many if not most men desire also to feel that they are of some use in the world—that they are putting in as well as taking out. It is none the less true that a prominent motive of work and business is to satisfy wants measured by money, and hence that we may conveniently speak of this briefly as "desire for gain."

But just as the "desire to win," if it filled the minds of the players entirely, so as to make them forget to play fairly, would spoil the game and so ruin any chance for future winning, so the desire for gain must not be the desire to gain no matter how. It must be controlled and checked by three principles:

The
desire
for gain
needs
control
by

(1) good
faith

(2) public
spirit

(3) fair-
ness and
justice

The first is responsibility and good faith. It is essential in the long run for doing business, for unless persons keep their agreements and maintain good faith, they cannot deal with one another. The second is public spirit. Business cannot be carried on except where there is good order, for industry and trade can flourish only where there is invention, science, and progress. These all depend upon maintaining an orderly society; and the best society is possible only if citizens are public-spirited. The third principle is fairness and justice. This is necessary for business and industry because these cannot flourish where there is quarreling or hard feeling and there is certain to be quarreling and hard feeling unless persons treat each other fairly. It is necessary also for maintaining society because men cannot live in society unless they treat each other as fellow members of society, that is, unless they recognize the rights of others. This third principle is essentially the principle of the golden rule

CHAPTER XX

THE FIRST PRINCIPLE OF BUSINESS AND INDUSTRY: GOOD FAITH AND RESPONSIBILITY

GOOD faith in business has been a matter of very gradual growth. When men lived in kinship groups they did not put trust in groups other than their own, and did not feel any scruples about taking advantage of other groups. They might not be actually fighting with others, but they looked upon strategy as quite justifiable in trade as well as in war. Partisan boys were whipped if they were clumsy enough to be caught stealing, but were trained to steal as a military virtue. One of the Greek gods, Hermes, was god of stealing. Early traders were largely men of foreign groups. Hence the early rules of trading were not the rules of good faith and kindness that would prevail with the group; they were rules applied to outsiders. The trading class was not only a set of outsiders; it was looked down upon as doing an unfair or at least an unproductive kind of business. Many mediæval writers held that a trader who bought cheap and sold dear was really getting something for nothing. They considered that he was not like the farmer, really producing something. So his business was held to be a base one. In Japan until recently the merchants were treated as a low caste. Hence men of good birth would not go into business. In England trade has not been

Early
distrust
of traders

regarded as a suitable occupation for a gentleman. Any business which is held to be dishonorable is not likely to develop very strict standards. It is a case of "giving a dog a bad name." Of course trading went on just the same, and the early law recognized the low standard which was the custom. One of the Roman lawyers, Paulus, says: "In buying and selling a man has a natural right to purchase for a small price that which is really more valuable, and to sell at a high price that which is less valuable, and for either to overreach the other." A maxim of our law, although modified in certain respects, tells likewise of a time when buyers had to be cautious: it is, *caveat emptor*—"let the buyer beware." A favorite way of cheating in early times was to have two sets of weights—one for buying and one for selling. The fact that all modern cities have an official, called the sealer of weights and measures, shows that the public does not even yet trust traders fully.

Necessity
for good
faith

Nevertheless men had to buy and sell. And even if merchants had no conscientious scruples about making sharp bargains they found that certain rules must be observed if they wished to do business. For example, unless men should keep promises and pay debts they would not trust each other or loan money. Unless there were rules as to who should own what might be found or captured or made there would be frequent quarrels. Men who had the reputation of dealing honorably would do a larger business than the sharper. The merchants therefore established rules as to buying and selling, as to keeping contracts and paying debts, which formed the basis of our present business law. The ancient clan had certain rules about property. The state added to these rules using, as already stated,

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the law merchant, until we now have a great system of business law which represents what the community has agreed upon as a minimum. Good citizens will, at least, wish to do as well as the law prescribes. In seeking to understand the right principles of business we may well begin by considering certain of the more important rules which are embodied in law.

We propose, then, to examine a few of the general principles which are found in the law of contracts, agency, insurance, and trusts. We shall find that the law requires men to be responsible, to keep good faith. The intention is not, of course, to state the law in detail; on any specific points lawyers must be consulted; and even lawyers may disagree concerning which of several principles is in question in a given case. But there are certain general principles which are clear and these will show us where to begin to do right in business.

A great part of business activity today consists of Contracts making and carrying out contracts. The word "contract" means "drawn or bound together." The two parties who make a contract make promises; they are bound by their contract to keep them. If they do not keep their promises of their own accord the law will either compel them to do what they have agreed to do, or else will make them pay damages to cover the loss caused by the failure to carry out their promise. If a man goes to work for another, he virtually agrees to do what the employer wants done so long as he continues in his employ, and the employer agrees to pay him wages. If a man lets a house he binds himself to permit the tenant to live in it and the tenant binds himself to pay rent. If a man insures his life, or his

house, or the safety of his workmen, the company consideration of the premium he pays, promises to a certain sum in case of death, or fire, or accident a man sends an express package, the company consideration of a fee, promises to transport it. If a man borrows money he agrees, "for value received," to pay back the sum, and usually also to pay interest.

Not all
promises
are con-
tracts

The word "promise" may mislead; it must be pointed out that not all promises are legal contracts. Suppose you meet me on the street and ask you to lend me a dollar or to give me a dollar for the Athletic Association, and you reply that you have not the book or the money with you but will let me have it later if I will come to your house, the law would not call this a binding contract. It may be dishonorable to refuse to keep such a promise, but it is not illegal. No promise is binding in law unless it is either made in a formal manner, or else given for a valuable consideration. A formal promise is illustrated by a deed of gift. A man may wish to bind himself to give land or money to a person or society. If so he may make a deed, a seal—a seal used to be a test of genuineness, and helps to make the act a serious one—sign his name "deliver" the deed to the person or society. Such a deed is usually signed, sealed, and delivered "in the presence" of some official, commonly a notary public. But in most contracts there is a valuable consideration such as payment in advance of rent, or of an insurance premium, or of a fee to the express, or telegraph, or telephone company. This distinguishes a contract from what is called a gratuitous promise. The honest man will at least keep his contract if it is in his power. The man of honor will keep his promises. "His

Formal
promises

Valuable
consid-
eration

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"is as good as his bond." The exception to this duty of keeping contracts and promises will be noted below.

There are three very interesting aspects of this wide use of contracts. The first is that the parties to a contract are supposed to be free; they make the promise or agreement of their own accord. In this respect there is a great change from savage life. In early society when one man worked for another it was not usually because of any agreement: it was because he was a slave or a villein. And when persons bought and sold, they usually had the articles all in sight so that the exchange was all completed then and there. People were responsible if they belonged to certain groups: you might be pounced upon because your cousin had committed an offense, but as civilization progressed, men have more and more been *making their own obligations*. So great has this change been that a great student of law, Sir Henry Maine, has said that we may describe the course of civilization as proceeding from "status (that is, relationship based on kinship, sex, age, slavery, or other condition in which one is born or placed without his own act) to contract."

The second point of importance about contracts is the great care to be observed in making them. If men are to be compelled to keep their agreements, it is only fair that they should make them carefully and be sure that they understand each other. Notice some of the main precautions. In the first place, it would evidently be unfair to compel children to keep promises about matters which they could hardly understand, in their full bearings. Minors cannot in general make a valid contract, although if they have bought necessary articles such as food, or suitable clothing, they must

Parties
must
be free

Care in
making
contracts

pay for them. And in earlier days it was not considered that a married woman could act independently of her husband; she could not make contracts. Now, however, married women have been given the right to make nearly all kinds of contracts in most states. In the next place, care must be taken that both parties understand that they have actually *made* a promise, as contrasted with merely thinking or talking about making a promise. The best way to make sure of this is to put the agreement in writing and have both parties sign it. Indeed this is required in most states if a transaction is a sale of real estate, or of personal property which is valued at a considerable amount, such as fifty dollars or more. Besides putting the contract in writing it was formerly the custom to affix a seal to important documents. At present a seal is less often used, but more reliance is placed upon there being some "consideration." If a man pays down something it shows for one thing that both sides regard the transaction as a real agreement, and not merely a talk. It also shows that there is some reason for the contract, since each side gets something. When a contract has been written out it is supposed that both sides will read it. It is usually not a good excuse for breach of contract for a signer to plead that he did not know what was in the paper which was signed.

The usual way in which a contract is made is by an offer from one party and an acceptance from the other. As already said, it is safer if these are in writing, but this is not necessary in most cases, if the intention is clear. Even conduct may be sufficient without words; as if a man, when offered work, takes off his coat and begins. The essential thing is that *two minds meet*. What happens if they do not really meet, that is, if

there is mistake, or fraud, or jest, will be noted under the next head.

The third factor is responsibility or "liability." When persons make a proper contract the presumption is that they ought to carry it out. If either of the parties fails or refuses to keep his contract the other may appeal to the courts for a remedy. Sometimes the court will make the man do what he agreed to do. For example, he may have agreed to sell a piece of land, but have changed his mind. The court may compel him to complete the sale at the price agreed upon. This is called "specific performance." But in other cases, instead of compelling the man to do the exact thing which he agreed to do, the court may compel him to pay damages. For example, if a man agrees to work for another and then breaks his contract in order to take a position that pays better the courts ordinarily assess damages instead of compelling the person to return to the first position. If a contractor fails to complete a building at the time set in the contract, it is evident that the only remedy is in the award of damages. But, whichever method the court pursues, the point for our purpose is equally clear: the law holds men responsible.

The word responsible comes from the word respond. The idea is that of a man who is on hand when he is wanted and responds when he is called upon. Responsibility is therefore one of the most necessary characteristics in a man who is to be counted a good business man and we like to find it in every place in life. It is the counterpart of the first aspect of contracts, namely, freedom. To be free to make contracts would be of little use unless men were also responsible in carrying them out. Another word sometimes used

Respon-
sibility

when we look at a contract from the point of view of the law is the word "liable." A man who has made a contract is said to be "liable," that is, he may rightly be held to his contract by the courts. The courts simply represent the community which has such a strong interest in having business done in an orderly and secure way that if necessary it will step in to enforce a contract.

In most cases both parties carry out contracts without any constraint of law. Indeed it is often for a merchant's advantage to be more liberal with his customers than the strict terms of his contract require. Frequently, however, when both parties are willing to perform their obligations there is a difference of opinion as to what the contract actually requires. In such cases as well as where one of the parties is not disposed to carry out his agreement Society steps in and decides what the contract means and then proceeds to enforce it, provided that it is a proper contract duly made.

When
promises
should
not be
kept

Ought a person always to keep his promise? Will the law always hold the maker of a contract to his agreement? Sometimes young people—and older people also—fail to perform their promises and say in explanation that they have changed their minds, or that keeping the promise will mean great hardship, or that they did not know what the promise would really involve, or that some unexpected circumstance has made it impossible to carry out the agreement. Some of these reasons may be good reasons, some of them are likely to be called excuses rather than reasons. Clearly we ought not to keep a promise if it turns out that we have promised to do something

wrong. The famous case is that of Herod who was so pleased by the dancing of Herodias that he promised to give her "whatsoever she should ask." She asked for the head of John the Baptist, who was then in prison. The king "was grieved," but kept his promise by having the head of John cut off and brought in. Such a reckless promise ought not to be made, but, if made, ought not to be kept. And if two persons agree to marry and one of the two afterward becomes convinced that marriage would be a bad thing for them both, breaking the agreement is probably the lesser evil. But to refuse to carry out a promise merely because it involves hardship is hardly a good reason. The Bible approves the man "that sweareth to his own hurt and changeth not." A man with a fine sense of honor will be scrupulous to find out what the other party to the contract believes to be its meaning and will suffer serious inconvenience himself rather than disappoint the other. Indeed there is no higher commendation for a man in business or in almost any relation than to say "He never explains why he didn't do what he promised. He simply does it."

The law does not undertake to look into all the aspects of men's acts to see whether they are right or wrong. In fact it permits some cruel and mean acts—for a "mean" act is one that no gentleman would perform, at least not to one of his own class, while the law is on a lower level than the best standards in the state which enforces it. But the law is very positive that certain kinds of contracts which are improper should not be enforced. Contracts to do something which is illegal, or which interferes with the proper conduct of the government, or which is contrary to public policy, will not be enforced. A

famous illustration is the so-called "Highwayman's Case" decided in England in 1725. A bill was filed in court to compel an accounting of partnership profits. It turned out that the business of the alleged partnership had been that of highwaymen. The bill was dismissed "for scandal and impertinence." Gambling is illegal in most states, hence if one bets on a horse-race, or any other event, or lends money to enable another to gamble, he cannot collect by legal means the money he wins or the money he loans. It may be of interest to note a legal decision on this point. *Hampden vs. Walsh*, 1 Q.B.D. 189 (1876).

Plaintiff had offered to deposit certain sums which any one should receive who should prove the convexity of the earth to a referee by proving the convexity of a railway or canal, the other party to deposit like sums which he should forfeit on his failure to make proof. Challenge was accepted and challenger proved the point to the satisfaction of the referee. In this action against the holder of the stakes, held that this was an illegal wager and plaintiff can recover back his deposit.

One contract which the state will not enforce is a contract which involves usury. Most states fix a certain minimum rate of interest, six or seven per cent. If a creditor attempts to charge more than this, he is penalized by losing various amounts—from simply the excess interest in some states, to all the interest and principal in others. Laws against usury, indeed, are among the most general cases of interfering with free contract in order to protect a weaker party.

Usury

One large general type of contract has been held contrary to public policy: contracts which aim to destroy competition or are "in restraint of trade," as

Contracts in re- straint of trade

it is called. The theory for a great many years has been that competition is good for the public and that monopoly is injurious. Competition tends to afford lower prices, whereas a monopoly makes it possible to charge prices that are oppressive. The ancient terms for certain kinds of acts which were supposed to limit competition were "forestalling"—that is, buying up a cargo or a supply of any article before it came into the open market where all could have a chance at it, and "engrossing"—that is, buying a crop or supply *en gross* or as a whole, thus cornering the market. So long ago as 1266, forestalling was forbidden in England by statute, and the Sherman Act passed by Congress in 1890 makes illegal an agreement between different persons as to what prices they will charge or an agreement to limit the output of their factories. One kind of agreement has been recognized as reasonable, viz., when a person sells out his business he may agree not to compete at once with the man who buys the business, although if the restriction is too broad or for too long a time the courts will not uphold it. It has been held reasonable to contract not to engage in the business of surveying again in the same county, but when an insurance man in selling his business agreed not to engage in that business again, without any limits, the court held the agreement void.

Another illustration may be given in legal form. *Anchor Electric Company vs. Hawkes*, 171 Mass. 101 (1898).

The defendant, officer of a corporation selling out to the plaintiffs, agreed not to engage for five years in any business that would interfere with the proposed business of the plaintiffs. Bill for injunction to prevent his entering into competition with the plaintiffs in violation of the

agreement. *Held*, agreement goes no further than reasonably necessary to protect the good-will purchased by the plaintiffs and is valid.

Jest, or
misrepre-
sentation

If the very essence of contracts is free consent and good faith, it is clear that where there is no real intention, or where there is no real freedom of consent, the contract is not a true one. If two people make an agreement in jest, it is not binding, although if one party regards it as serious and the acts of the other would lead a prudent man to think him serious, this second party cannot get out of it by claiming that he meant it merely as a joke. Nor will a mistake be a sufficient excuse unless it is very fundamental. If one party misrepresents, and still more if he intentionally deceives, the contract is liable to be set aside. Misrepresenting is given by the courts a rather precise meaning. A dealer may praise his goods in general terms and the law may regard it simply as "dealers' talk." So long as the seller is giving his opinion, and not stating particular facts, it is not easy to show that he was misrepresenting or intending to deceive. You may think a clothes dealer is lying when he says that a suit of clothes fits you well, but it would not be easy to prove that he did not think them a good fit. But if he says that he actually paid twenty dollars for the suit when he really paid but ten, he is stating a fact—or rather is misstating a fact. So if a buyer tells a farmer that there is no phosphate rock on his farm and by that statement secures the farm at a low price, although at the time he knows that there is phosphate on the farm, the contract would be set aside. An untrue statement, even if not known to be false by the one who makes it, is yet held fraudulent if made in

reckless disregard of whether it is true or not, and made with the intention of inducing some one to act upon it. To make sure that a seller really means what he says the safest course is to have him warrant his statement in writing.

One exception to the general rule that contracts will be enforced, is shown in the law on what is called bankruptcy. It illustrates clearly the difference between the standard of the law and that of honor. It is a part of the modern system that men, especially merchants and manufacturers, do much of their business upon credit. A miller borrows money to buy wheat in the expectation that he will sell the flour in time to pay off his debts for the wheat. But for two kinds of reasons he may be disappointed. He may have been imprudent in his plans and expenses and so find himself short of the necessary amount; or something may have happened which even a prudent man could not foresee. Modern business is like a row of dominoes, if one domino is pushed over the whole row goes. The bank in which one keeps his money may have failed, the price of flour may suddenly fall; or if a man is manufacturing bicycles people may tire of them suddenly and leave a large stock upon his hands. In either case the man is unable to pay his debts. It is plain that unless there is some way of preventing it, some of his creditors may succeed in getting their pay first, leaving others to lose all. It is plain further that if the debts are large the man may be prevented from getting upon his feet and doing business again. For if, as soon as he earns a little, this goes at once to pay a debt, he may be unable to get enough capital to undertake any enterprise. Bankruptcy laws are intended to prevent both these evils. They provide

that when a man is insolvent, i.e., cannot pay his debts, the court will take charge of his affairs, pay equal percentages to his creditors, after satisfying such special claims as those of unpaid laborers, and after all his property has been used in this process, wipe the slate clean and let him begin again. His debts are discharged. Frequently a man feels that in honor he must do more than the law requires, and if he afterwards succeeds in his undertakings, he pays in full.

Mistakes, misrepresentation, fraud, bankruptcy, are the exceptions. The great principle of business, the cornerstone of it all, is responsibility and good faith. When the law enforces this it is merely helping the honest man and expressing what is the common sense of justice.

CHAPTER XXI

GOOD FAITH AND RESPONSIBILITY—*Continued*

THE principle of responsibility and good faith is shown not only in keeping contracts. It is even more conspicuous in some departments of business in which the actual making of a contract is by no means so important as the fact that two or more persons stand in certain relations to one another. Just because they have these relations they have duties and responsibilities, the law holds them responsible, and the honorable man will be scrupulous to be even more responsible than the law requires.

Duties
arise
from
relations

The simplest illustration of what is meant by saying that persons have duties just because they stand in relations to one another is found, not in business, but in the family. The father does not make a contract to support and educate his children but he has a responsibility for this, and the law will compel him to perform this duty if he fails to do it of his own free will. This kind of relationship was very prominent in the early kinship group, where every member of the clan was responsible for what another member did. He had to avenge the death of a fellow member, or share in paying the money penalty in case a member of his own clan had killed one of another clan. The present law does not recognize this older kind of responsibility, but it does hold parents and children, husbands and wives to many duties just because they stand in those relationships.

In business our common law has numerous examples of duties and responsibilities that arise from relations in which we stand to other persons. We enter into most of these relations voluntarily, and, in this respect, they may seem to be based upon contracts, but, in deciding how far we are responsible, the law does not ask in most cases whether we have definitely promised, in black and white, to do this or that particular thing. And the man of honor will decide his duties by the spirit rather than by the letter. Examples of such business relations are landlord and tenant, principal and agent, banker and depositor, employer and employed, vendor (seller) and purchaser, and, finally, a class of relations called fiduciary relations, which means relations of trust or faith. We shall notice several of these kinds of business relations which illustrate, in a peculiar way, the principle of responsibility and good faith.

Agency

"An Agent is one who represents another called the principal in dealings with third persons." One of the most common cases of agency is that of station agent of the railroad company. Express agents, real estate agents, insurance agents, and book agents likewise are familiar. But many who do not go by the name of agents are such. The telegraph operator who takes a message, the hotel clerk, the train conductor, the clerk who sells goods in a store, the lawyer who acts for a client—all are agents. In most cases these are agents for some special act only. A man may be an agent to collect rents, but not authorized to make leases. A clerk may be an agent to sell goods, but not to buy. A real estate agent may be my agent to sell my farm, but not to buy my clothes. A wife may be an agent to buy necessities for the house,

although not to sign contracts for building a new house.

Consider now what an example of trust this relation implies. A principal is liable to all third parties for what his agent does, if it is within the scope of the agent's employment. If the baggageman injures your trunk, or the telegraph boy fails to deliver your message, the railroad or telegraph company is responsible. The agent is to follow instructions faithfully and is bound to serve the principal with "reasonable skill and ordinary diligence." Even if one offers to do a service without pay, he is bound not to be "grossly" negligent. If he offers to take money to a bank for another and while on his way is attacked by thieves in a public place by daylight, he would usually be regarded as not negligent, but if he forgot to deposit it and then in a public place laid down his coat containing the money, without watching it, he might well be held to be grossly negligent and bound to make good the loss.

A special instance of this fidelity of the agent to the principal is the requirement that he shall not make any profit for himself out of the relation except what has been agreed upon with his employer. For example, if A engages B for a hundred dollars to buy a farm for him, B has no right to find a farm for sale at \$3,000 and charge A \$4,000. This kind of betrayal of trust is not uncommon in agents of cities or states. If a city is to buy coal, or hardware, or roadscrapers, it has been not uncommon for the agent or the road commissioners to get a sum privately for giving the contract to a particular firm. Such a payment is called "graft." It is also not uncommon in business. The buyer of a firm expects a "tip" or a commission if he gives a

large order to a particular firm. The principle is the same. Of course if an agent is engaged with this express understanding, the principal could not object, but one would scarcely be likely to engage an agent on that plan. The legal term for the trust implied between principal and agent is that it is a "fiduciary relation."

Bailment

Bailment is not a common word, but the thing itself is very common. If you intrust a package to a railroad or express company, or a watch to the repairer, or loan a book to a friend, you are making a bailment, that is, a delivery of something which is either to be returned to you, as in the case of the watch, or handed over to some one according to your order, as in the case of the express package. You trust the other person, and the laws hold him responsible. Different degrees of care are required according as the bailment is made for the sole benefit of one of the parties or for the benefit of both. If your friend asks you to take his book home for him, you would naturally take the same care of it as of your own books. But if you borrow his book for your own benefit, you would be bound to take extraordinary care of it. In the first case one is liable for slight negligence, if the book is lost or damaged, but, in the second, for gross negligence. If you borrowed the book to read in the school room, you would be liable if you took it home and some one there injured it. If the bailment is made for the benefit of both parties, as when one hires a horse, the bailee (the person to whom the article is delivered) is bound to use "ordinary or reasonable care."

In the case of railroads, express companies, and other "common carriers," the law is much more strict.

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They are regarded as insurers against any damage unless it is by the fault of the shipper) not caused by "act of God or of the public enemy." (An earthquake or flood, or fire caused by lightning, would be regarded as an "act of God.") Common carriers usually seek to limit their obligations by a contract inserted in the bill of lading or receipt, but the law will not allow them to evade all responsibility even by a contract. The public is so dependent upon these carriers for the necessary transportation of its goods that it imposes upon them stricter obligations. This is an illustration of the principle that modern life makes persons so dependent upon each other that it requires greater responsibility. It is, too, the legal way of saying that these great railroad and express and steamboat companies are not doing business purely for gain. The owners may think only of profits when they organize the companies, but the business of carrying goods and persons is an immense service to the public, and the public in many ways treats these companies as if they were in a sense public agents.

Banking shows good faith and responsibility in a high degree. Take first, as the simplest type the savings bank which receives small sums, called deposits, from various persons and invests them in especially safe forms of securities. Its officers are in a better position to know of good investments than people ordinarily are, and besides it is usually possible to use large sums to better advantage in making loans. The theory of the savings bank may then be said to be coöperation of all depositors to secure safe investment under guidance of expert and responsible men. In this country 285,755 persons deposited their savings in such

banks in 1915. Many of them were laboring people receiving small wages. The banks cared for \$4,997,706,013 and most were faithful to the trust. Half a million persons made deposits in the Postal Savings Banks, amounting to seventy millions of dollars.

The other great class of banks, commercial banks, serves the merchants. It is not intended to take care of savings but to loan money to those who need it as capital for a short period, in order to market crops, build factories or railroads, or buy stocks of merchandise.

Banking implies reliability

For the safety of some loans the banks depend upon security which is deposited with them. A merchant may own bonds or have grain in a warehouse for which he has receipts. These bonds or receipts may be deposited with the banks as "collateral," so that if the merchant fails to pay, the bank can fall back upon them. But in other cases the bank officers depend mainly upon the character of the borrower. Here, then, we have a great system of persons who trust each other. First of all the shareholders or original partners trust their money to the management of the directors; numerous depositors place their funds with the bank and pay it out by checks; clerks and officials handle these large sums, amounting, in the case of large banks, to millions daily; the officers loan it out and must trust the character and business ability of the borrowers. Besides all these, says Mr. Hepburn in his essay on *Credit and Banking*, the banker has relations "to the entire community whose welfare and progress may be affected by the conduct of his business; and finally (if the influence of the bank becomes extended) to the State and nation, whose credit structure is necessarily so largely based upon that of the

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great banking interest." Men engaged in banking exercise thus "a twofold trust—a public trust as to funds deposited with them, and their relations to the public generally; a private trust in their relations to their individual patrons and the confidential knowledge which they obtain as to their private affairs." They have great opportunity for wrongdoing. Yet in these trust relations they seldom fail. Mr. Hepburn says, "the fact that accuracy and certainty must prevail exercises a most wholesome influence upon clerks. Character, accuracy, and certainty are the working capital of young men."

The present age has been referred to as the age of "credit economy," that is, an age in which business is carried on by means of credit. The more we look into this, the more we appreciate how this means that persons depend upon the good faith of others. If we are able to build such great works as railways, tunnels, telephone lines, electrical plants, waterpower plants, and if we are able to carry on all the great enterprises which require far more capital than any man or any few men could furnish, it is evident that we can place great reliance upon our fellow men.

The fact is, when a man enters banking, just as when he enters law or medicine, he has a great moral support in the very fact that he belongs to a business in which the trust of others and their dependence upon him are fundamental. This steadies him. There are unsettled problems about the morals of banking as about other of our great business organizations, but the basis of the bank is responsibility.

Perhaps the principle of responsibility in its highest degree is found in the duties of a trustee. In the broad

All credit
rests on
good
faith

Trustee-
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sense of the word, many relations in business are spoken of as positions of trust. The executor of an estate, the guardian of a child or of an insane person, the person to whom the court assigns the duty of settling the affairs of a bankrupt firm may all be said to occupy such positions of trust. But, in a more special sense, the word "trust" is defined as "an obligation upon a person, arising out of a confidence reposed in him, to apply property faithfully and according to such confidence."

There are many familiar trusts of this sort. A man has young children who are not old enough to manage property for themselves. He may make a will, giving the property in trust to some responsible person or to a trust company. The person or the company to whom the estate is given in trust must take good care of it, and use it for the benefit of the children. Or, a man may wish to give money for a hospital or school. The simplest way to make sure that the money shall be used as he desires is to give the money in trust to certain persons whom he may name, or whom he may request the court to appoint. These persons, who are called trustees, are bound by law to carry out the purpose of the giver. It is customary in the deed of trust to provide for the method of electing or appointing new trustees from time to time, so that, in this case, the purpose of the giver may be carried out for the benefit of multitudes of persons through long periods of years.

The obligation of a trustee arises, as our definition says, "out of a confidence reposed in him." Some of these obligations have been, from time to time, settled by the courts. Thus, it is an obligation of the trustee to protect and preserve the trust property and to see

that it is employed solely for the benefit of the beneficiary; that is, of the person or persons whom it is intended to benefit. In particular, the trustee cannot use his position to his own advantage. He cannot make any profit at the expense of the trust estate, nor can he make a profit even if the trust estate is not a loser. If the trustee's own firm has dealings with the estate, the trustee himself must not participate in profits which his firm derives from the transactions. He cannot use the trust funds for his own benefit. He cannot buy up debts against the estate at a profit.

In all these various relations which we have noticed, culminating in the relation of trustee and beneficiary, we see how men have come to realize and enforce duties that arise out of particular relations in which we stand to each other. There are, of course, other relations that bring duties with them which the law does not attempt to enforce. A man may look on while another drowns or starves. The law, generally speaking, does not compel him to rescue or feed his fellow man. This is an obligation which we feel, arising out of common humanity. So far as the law is concerned, it is met, not by compelling any one individual to rescue the drowning man or to feed the hungry, but through public action. The public provides life-saving service to rescue shipwrecked men; it provides for the relief and care of the poor. And there are a great multitude of voluntary societies for helping those who, in any way, need help. But, besides all these, the man who is sympathetic and humane will find duties in any relation in which he especially can be of help. The story of the Good Samaritan expresses the best standards of men on this point. For as a great leader said long ago, "We are members one of another."

Further
duties
to our
fellows

CHAPTER XXII

BUSINESS AND INDUSTRY AS PUBLIC SERVICE

THE great war has brought out clearly one very important fact about business and industry, namely that every important business and industry concerns not only the men who are engaged in it, but the whole community. Every nation at war has found it to be just as important to look after the food supply, the clothing supply, the manufacture of tools and machinery of all kinds, as to look after the army and navy. This only makes clearer what students of the subject knew before, and what we have aimed in previous chapters to bring out, that coöperation added to invention has been the great means of progress. This implies that coöperation in business and industry, like coöperation in town life and national life, is indispensable. And this in turn means that all work if honestly carried on is not only a benefit to the worker himself, but to others.

Mr. Gladstone declared that during the first half of the nineteenth century more wealth had been added to the world's store than had been added before that time since the dawn of History. He also said that during the third quarter of the nineteenth century as much wealth had been produced as in the first half.

Much of this amazing result was, of course, due to inventions, but inventions themselves did not drop down

out of the sky. They came in part because of the increasing demands for clothing and for transportation brought about by growth of trade. They came because coöperation, even without them, had raised man enough above the starvation level so that he could put time and money into planning and building machines, and because association between men from different regions sharpens their wits. If then, as the progress of the last century has shown, coöperation immensely increases the product, every one who coöperates is helping the rest. In so far as we do business with all the world we are helping all the world.

This is a broad statement. It needs to be explained and qualified.

First we must make a distinction. We have said that every one who coöperates is helping the rest. Does this mean that every worker is helping every one else? How about the counterfeiter? He often works hard for a long time to make dies or plates. How about the gambler, or the confidence man, or the man who works hard to adulterate goods? How about the man who works hard to get some special privilege or to form a monopoly, or to gain the consent of an heiress to marry him? Certainly some of these kinds of work are not benefiting the community; some of them are positively harming it. Such occupations as these suggest to the economist a difference between the ways of getting a living which are really useful, and those which are either positively harmful or at least neutral. He calls the useful ways economical or productive methods; the destructive or useless ways he calls uneconomical methods. There are two other terms for the uneconomic methods, which give us a more vivid picture.

Except in certain occupations

which
are
predatory,

The destructive ways are called "predatory," from the Latin, meaning to plunder or rob as in war. The counterfeiter and the confidence man are evidently predatory, and their ways of getting a living are forbidden by law. But it is in many cases not possible to draw a line exactly between practices which are predatory and those which are useful, although economists recognize that there is such a line. For example: men may gain a monopoly of some article, by driving out or buying out competitors; they may then raise the price of the article so as to yield high profits. "Cornering the market" is a similar case. Some would hold such a monopoly, or corner, to be predatory; for it is extorting a higher price than people would pay if there were free competition. Others hold that such monopoly gains are justifiable, as stimulating men to undertake great enterprises from which the public will gain in the long run.

or para-
sitic?

The ways of getting a living which do not actually help the community, although they do not use any force or deception, are called "parasitic." A parasite is a plant or an animal which does not support itself independently, but is attached to another plant or animal upon which it lives. To say the least, it does not help its host, and it usually is a burden. It is often more difficult to draw the line between parasitic and useful occupations, than between predatory and useful occupations. All speculation is by some regarded as parasitic. If a man does not want to use land, but buys it because he thinks it is going to rise in value, is he serving any useful purpose? If a man bets on a horse race or on an election, we do not ordinarily think of him as doing useful labor by that bet. Suppose he wagers that land or cotton will rise

in price or that wheat will go down, is this any different from betting on an election?

There is risk or chance in betting and there is risk in speculation. This makes it easy to confuse the two. But there is one distinction which is very important. Speculation in the strict sense does not make new risks just for the excitement of the thing; it deals in risks which are already existing, and either distributes them or transfers them. Gambling or betting adds a new risk.

The simplest illustration of necessary risk is in the business of the farmer. He must risk the danger of drought, frost, flood, or hail for his own crop, and also of low prices due to unusually good crops elsewhere. Other familiar examples are the risks of the railroad builder or shipowner. Neither the railroad builder nor the shipowner can be sure whether a railroad or a ship which he proposes to build will pay a profit. The risk of the farmer may be lessened by insuring the crop against hail or frost and that of the shipowner by insuring his ship against loss by fire or other disaster. The risk of low prices for the farmer's wheat may also be in part divided or transferred to another, if some one undertakes to buy the crop before it is harvested. The risk of building the railroad may be divided if the shares of stock in the railroad company can be bought and sold. In such buying and selling of grain, or cotton, or railroad shares, or shares of stock in mining or manufacturing concerns the buyer takes a risk. If he is a careful man who takes pains to learn about crops, or about the prospects of the railroad, he will help to lessen the risk. If he has reserve funds, he can afford better than the farmer or workmen on the railroad to bear loss, in case there is

Specula-
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versus
gambling

Specula-
tion may
lessen or
distribute
risks

loss. To distribute risks or to have them carried by those best able to carry them is to perform a valuable service.

The place where grains are bought and sold is usually called a Board of Trade; the place where stocks are bought and sold is called the Stock Exchange. It is like a great auction.

Gambling increases risks

On the other hand, consider the gambler. If he wagers on the result of throwing dice he makes a new risk for the sake of excitement or of gain. And it is clear that this risk does not help to get any useful enterprise started, as when men venture upon building a ship or railroad, or raising a crop. But another kind of wagering may seem at first to be much like business speculation. In many cities there are offices called brokers' offices which are more accurately called "bucket shops." A bucket shop is a place where reports are received by telegraph of the prices at which stocks are selling on the stock exchange. In such offices members can put down their names for a number of shares at a certain price, as if they were really buying or selling. When the later reports at the close of the day show gains or losses in these shares the men who have "bought" or "sold" settle with the manager of the shop. If they guessed right as to the prospective gain or loss, they receive from the manager of the shop a sum that would represent profits. If they guessed wrong they lose. They may have put down their names for a thousand or million shares, the manager of the shop does not buy a single share for them. The customer simply bets on whether the shares will rise or fall. Clearly, then, the man who takes this kind of risk does not in the slightest degree help in business nor does he distribute any risks; he simply gets

something for nothing or loses something without receiving any return. So far as having any effect upon actual business or as really helping the public is concerned, one might as well bet on whether it will rain next week. As to this kind of wagering Professor Taussig says: "Judged by the test which we have set up—whether the labor adds to the sum of utilities,—all those who are engaged in mere wagering speculation are unproductive laborers; not only the principals, but the brokers who execute their orders, the clerks who record them, the mechanics who put together and operate the 'ticker' in the broker's quarters, all belong to the class whose work serves no useful end."

And further as to another class: "In any large center of industry there will be found plenty of persons engaged in business whose doings are essentially parasitic. They pick up a living, perhaps a very comfortable one, by shreds and patches of dealings, by shrewdness in buying and selling, by waiting for land or securities to rise in value." Parasitic occupations are not, like predatory occupations, ordinarily forbidden by law. They are, then, a matter for personal choice. But if one wishes to serve the public he will not choose them.

Another case which may be puzzling is that of the man who in a trade charges more than articles are worth, or who seems to be getting richer while those with whom he deals—whether workmen or customers—grow poorer. Is such a man helping or is he merely using others as steps to climb by? Some believe that such men, whom they would call "shrewd," are really helping by setting a faster pace and forcing others to keep up to it or drop out of the race. Others would call such men "exploiters." The word "to exploit" means primarily to utilize or get the value out of some-

Exploita-
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not co-
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thing, as when a miner takes the iron or coal out of the earth. But it is also applied to utilizing other men —getting value out of them and not making a fair return. As one writer says, very early in human history some men discovered that it is much more profitable to make gains from other men than to make them from nature. Their maxim was "let others do the hard work, then we will get their products away from them by bargaining." This is a true picture of what often occurs when one party is ignorant or weak and the other party shrewd or powerful. In a similar way traders often exploit savages: they take value away from the savages and put back very little, if any. The law has put many limits on this kind of exploiting, in order to prevent the weaker from being ruined; yet there are also many cases which present law does not reach.

And yet such cases as these of predatory or parasitic or exploiting occupations are not the great mass. Most people do business with others, or employ others, or work for others, because each has something to gain by the transaction. And in the great multitude of cases each does gain. Doubtless one may gain more than the other; none the less both may gain and both be satisfied.

Both sides
gain in
a fair
exchange

It used to be supposed that in bargaining or exchanging, as distinct from working the soil or making articles, one party must lose if the other gained. Men reasoned like this: Here is a bushel of wheat. It is worth, say, a dollar. Now a merchant buys this at a dollar and sells it to the miller at a dollar and ten cents. The merchant is getting more than the wheat is worth, hence the miller must be losing. Or

if the merchant buys for ninety cents, and sells for a dollar, then the farmer gets less than the wheat is worth. Those who argued in this way could not see that the merchant really added anything to the value of the wheat, for they thought that everything had a value just as it had a size. Hence if a man made any profit in trading, some one else must lose just as much. We can see now that while the merchant does not make any change in the wheat he may do several things which are of real service to the miller or farmer. He collects the supply and saves the miller or farmer his time. He frequently stores the wheat between the time when the farmer wants to sell and the miller to buy. He may get a variety of kinds from which the miller may select. He often takes a risk in undertaking to get for the miller a supply at a definite price so that the miller in his turn can promise flour to customers.

This example of the wheat may serve to introduce the question, What is it which gives value to any article? Men have sometimes thought that the amount of work that goes into making it, or, if it is grain or meat, the amount of work that goes into growing it, determines its value. But it is clear that if I spend time in making a knife that will not cut this does not make the knife valuable. And if I devote a great deal of labor to raising a new kind of vegetable this will not give the vegetable any value, unless some one likes to eat it. The reason why I am willing to pay for a thing is that (1) I want it, and (2) I cannot get it without paying for it, as I can usually get air and sunlight. If then each party in a trade or in a bargain of any kind wants what the other has, each may gain from the exchange.

What
gives
value to
anything?

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Even if
I pay
a fair
price,

I may
gain by
exchange

Money
does not
pay for
skill,

Another point which may raise a scruple in our minds against the view that, in industry and trade, a man benefits all with whom he has dealings is this: when I buy a loaf of bread or a railroad ticket or hire a laborer and pay what is asked, I give as good as I receive. I do not owe the baker or railroad or laborer anything, neither does he owe me anything. If, then, each of us has got all that is due him how can it be said that he has benefited others? There are two answers.

First: Even in money values both sides are better off if they can exchange what they have a surplus of for what they lack. The baker has bread, the railroad has trains, and the laborer muscle and skill. These may keep me from starving; on the other hand, my money will supply what baker and railroad and laborer all need. Countries grow rich, not by keeping to themselves, but by exchanging. Persons grow rich, if they grow rich in "economic" ways, not by keeping separate but by exchanging what they have for what they want.

Second: There is another side to every bargain, to all trade and work, which is not measured by money. Suppose you are ill. You send for a physician and his skill helps you to get well again. How much do you owe him? You pay a money fee, but unless you are a very thoughtless person, you do not consider that in paying him five dollars or five hundred dollars you have paid all that his service and skill were worth to you. Your life is worth more to you than any amount of money. This is a case where you could not do for yourself, if you were to try ever so hard, what the physician does for you. The same principle applies to the work of the preacher, teacher, lawyer, artist,

craftsman, who can by his genius or skill render a unique service.

Take another case where you perhaps might do a certain kind of work, but would much prefer not to. You sit in a comfortable room in winter. Who warms it? Several people help, but first of all it is the coal miner. Most of us would not care to exchange jobs with him, even for his regular work; but, quite apart from the question whether his work is pleasant, the dangers of gas and explosion add a hazard to life, which we do not pay for in the bill for the coal. We wear woolen or cotton clothing or both. Who makes it for us? Conditions are in many respects better than they were, but if you have an opportunity, visit a woolen or cotton factory and see whether you would like to card, spin, and weave. Read the statistics as to health. Formerly it did not need statistics. A glance at the faces of the workers showed that they were not breathing good air. The death rate from tuberculosis among cotton spinners and weavers is more than once and a half as great as that for the average population. The best figures available for the Bureau of Labor in 1908 showed that whereas, during the ages 25 to 34, out of every 100 deaths from all causes, during the seven years ending 1906, 31.3 deaths were from consumption, for cotton spinners 50 were from consumption, and for weavers 53.4. Other occupations that bring us our comforts and luxuries are also extremely unhealthful. Not to speak of lead poisoning, which is now gradually being guarded against, nor of the frightful effects of making the ordinary phosphorus matches, which are now no longer manufactured in this country, the death rate from tuberculosis among printers is even higher than among weavers, and

nor for
sacrifice
of life
or health

among those printers who are compositors it is for the ages 25 to 34 more than twice as great as the normal proportion, i.e., it is 66.7 as against the normal rate of 31.3.

Or finally we ride on a railroad train. We can see the engineer and firemen and realize something of their risks and responsibilities. But there are others whose labor makes possible our profitable business trips, our visits to friends, our daily letters and newspapers, our pleasure journeys. In the steel mills the rails and steel plates for cars are forged, and if one has once seen the process, he must be brutal or superficial if he thinks he has no debt to the workmen. The glare from great masses of melted metal, the almost unendurable heat, the deafening roar and pounding as the ingots pass back and forth between the huge rolls which gradually reduce them to rails or plates, to say nothing of horrible accidents and deaths which are almost a part of the day's work—all this no traveler in Pullman car or coach ever pays for in the price of his ticket. Other occupations suffer from monotony, from isolation, from exposure to cold. Domestic service receives relatively good money wages but suffers in social standing and the conditions of work which in certain respects are survivals of older servile standards; yet no occupation contributes more directly to the comfort of the home.

Every
one a
debtor to
his
fellows

The fact is that the more we know of the skill, of the genius, of the daring, of the rare personal qualities which are contributed by our leaders in science, morality, government, art, invention, and commerce, the more we appreciate that these cannot be said to be paid for by money. And the more we know of the patient labor, the risks, the depressing conditions,

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the diseases, the deprivation of opportunity, which are woven into all this wonderful civilization, the more we appreciate that these again are not paid for.

Three views as to control of business

CHAPTER XXIII

CONTROL OF PRIVATE BUSINESS IN THE INTEREST OF PUBLIC WELFARE

WE have seen how our work to get a living, if the work is in any useful occupation, benefits the public as well as the worker. Is this all that is necessary, or ought the public to control work and business by laws? There have been three stages in English and American belief on this point.

(1) In the Middle Ages and even down to the seventeenth century, it was the belief that private love of gain must be controlled or directed to make it secure the good of all.

(2) The view gained ground that liberty for every one to conduct his business as he pleased was not only best for him but best for the public. This was expressed by many famous writers in the latter part of the eighteenth century. It fitted in with the general love of liberty in political affairs, and depended upon competition to secure fair prices.

(3) Within the past twenty-five years we are again controlling private business in many ways for what is believed to be justice and the public good.

There are two aspects of the relation of public welfare to private gain. The first is justice between man and man; the other concerns public welfare in the strict sense. The first would show itself in such matters as treating other fellow-citizens fairly,

contrast with treating them with oppression or extortion or discrimination. The second would show itself in matters where the welfare of the nation or city or people as a whole is concerned. In war this requires patriotism in fighting for the country; in peace it demands all sorts of service which interferes to some degree with private business; and in the case of measures to protect health and safety, or to reserve forests and water-powers for the public good, it does not hesitate to interfere greatly with private gain.

In the Middle Ages both public welfare and justice between man and man were cared for by law. As regards justice between man and man, there was more need for law, because in unsettled and warlike times the great advantage of fair and honorable dealing did not have a clear opportunity for trial. There was less education; the markets were small and it was not easy to move goods from place to place. Hence it was easier for the merchant to take advantage of his customer's ignorance or for a money lender to take advantage of a borrower's needs. As regards public welfare it was natural to think a great deal of this for two reasons. One was that the country was so often at war, that men could not help considering how to make it strong. The other was that the king was constantly looking after his kingdom. It is true that many of the kings thought much more of their own advantage than of that of the kingdom, but in most cases these two kinds of advantage went together. If the country was prosperous it would pay large taxes, and the king would have more for his army. So the king would generally be on the watch that men did not steal from the public, or try to make money in ways

(1) The
mediæval
theory

which were thought to be against the public good. When towns were anxious to keep a monopoly of trading in certain articles, the king would often encourage foreign traders. The tolls which these foreign traders would pay were very convenient for the king's treasury: but in many cases the kings were farsighted enough to see that a wider trade would be likely to supply cheaper goods to Englishmen. This was what was called the "policy of plenty"—that is, making food and clothing as plentiful as possible.

Another need was for ready money. The king who had gold and silver could buy what he wanted. So the government tried to encourage those kinds of trade in which English traders would get gold or silver in return for wool or cloth, or other goods produced in England. The government was constantly thinking of England as a whole, and controlling private business by what was thought to be public welfare. Laws made to secure fair dealing have already been mentioned; but they may be brought together for brief notice again under the head of fair prices, fair wages, fair interest, and no monopoly.

Fair
prices
fixed by
law

Fair prices were to be secured in two ways. In some cases prices were fixed by law; in others extortion was to be prevented by forbidding middlemen from making undue profits or cornering the market.

The Assize of Bread and Beer, a statute passed in 1286, was an example of fixing prices. The price of bread was fixed according to a sliding scale—that is, if wheat sold for so much a bushel then bread must be sold at so much a loaf. This, of course, was not attempting to fix the price absolutely as it would be if the statute prescribed that a loaf must always be sold at five cents. But it aimed to prevent the retailer

or baker from taking excessive profits. In 1389 the Statute of Laborers provided that victuals should be sold only at reasonable prices, which were apparently to be fixed by the mayor. Five years later it was enacted that the justices might punish any one who sold iron at too dear a price. A little later (1363) the price of poultry was fixed: a young capon three pence (perhaps equivalent to about seventy cents to-day), an old one four pence, a hen two pence, and a pullet one penny, "for the great dearth that is in many places."

In 1275, the statute of Westminster I prescribes that common right shall be done to rich and poor, and prohibits extortion in toll, a kind of charges which might be regarded as similar in principle to modern railroad rates—"excessive toll, contrary to the common custom of the realm" is forbidden. "Toll" is not often found in present use. In some parts of the country it still exists as a charge for driving along a road or over a bridge which has been built by private funds. It used also to be applied to the miller's charge for grinding, and to the charge made for the privilege of selling goods in a market or town. It was always a rate charge for some privilege or service that was in some way dependent upon law or ordinance. To prescribe that a merchant shall be subject "only to the ancient and allowed customs, not to evil tolls" (*Magna Carta*), or, as above, that tolls must not be "contrary to the common custom of the realm" was to prevent discrimination, and to compel charging the same rates to all—a provision for fair dealing which has been thought necessary again in recent years.

Two hundred years later, just before the time of Elizabeth and Shakespeare, we find another important

Extortion
forbidden

statute against extortion, but it is directed especially against conspiring to raise prices and so may be better noted below. The general plan of fixing prices directly was thus tried chiefly in the thirteenth and fourteenth centuries. Prevention of extortion through laws forbidding forestalling, regrating, and engrossing, began in 1266. Laws of this kind may not always have been enforced, but there was a very strong feeling back of them that all must have fair play. And today while we in time of peace do not attempt to regulate prices of food, we are often much excited if persons buy up theater tickets and sell them at a higher price.

Wages
fixed by
law

But the most important laws, so far as they anticipated present-day problems, were laws fixing wages, forbidding "restraint of trade" and monopolies. Fixing wages and forbidding restraint of trade by any combination or conspiracy are put together here because they were originally joined in laws. This explains some laws which seem to be purely class laws aiming to repress laborers. They were originally aimed at any attempt to raise prices whether by laborers or merchants, and the first statute in which the phrase "restraint of trade" occurs (1436) forbids by-laws of gilds or companies "in restraint of trade" and also forbids unlawful ordinances by gilds as to the price of their wares "*for their own profit and to the common hurt of the people.*" Wages had been fixed very early. Especially after the Black Death, the effort was made in the Statute of Laborers to prevent laborers from taking advantage of the scarcity of labor by charging higher prices for their work. This statute went much further than modern laws, for it required all persons able in body, under sixty years of age, to labor for such persons as require labor, or else go to gaol,

and specified the wage for common laborers as one penny a day, for mowers, carpenters, masons as three pence. Ten years later "alliances and covins" (covenants and agreements) between masons, carpenters, and gilds were prohibited; and in 1548 a statute was passed which is especially interesting, because it joins together in one law the practice of conspiring to raise prices of food, and that of combining to fix hours of labor and to limit the amount of work one should turn out in a day.

The word "monopolies" was at first applied to privileges granted by the king. The king would grant to one of his friends the sole right to deal in some great necessity such as salt. The nearest approach to this today is perhaps the patent which is granted to inventors; but this is supposed to be for the public good through encouraging invention. It gives the inventor the exclusive right to make and sell his inventions—telephone transmitters, electric light bulbs, cash registers—for seventeen years. But as these inventions are for new things, such an exclusive right does not seem a hardship. It was different when the monopolist was granted the sole right to deal in such necessities of life as coal, oil, salt, vinegar, starch, iron, and glass. A member of the Commons protested against the granting of monopolies, but when summoned before the King's Council for his audacity "returned to the House with such an amazed countenance that it daunted all the rest." In 1623, three years after the Pilgrims came to Plymouth, the Great Statute against Monopolies declared that "all monopolies . . . for the sole buyings, sellings, makings, workings, or usings of any things . . . are altogether contrary to the laws of this realm, and so are or shall be utterly void

Monopo-
lies for-
bidden

and in no wise to be put in use or execution." The important difference between the old monopolies and present monopolies is that the old monopolies were granted by the government, while most of the present monopolies (except in the case of patents) are secured by the combination of competitors, or by buying or driving competitors out of business.

These illustrations of earlier views and laws show the government taking an active part in controlling business and labor.

(2) The
policy of
let-alone

Just about the time that the Industrial Revolution began, a great book was published in England which did much to change men's views on all these questions of controlling business. It was *The Wealth of Nations* by Adam Smith. It taught that it is better to let men alone than to prescribe just how they shall carry on their affairs. This teaching had two distinct points. First it held that each individual could manage his own affairs better than any one else, even the government, could manage them for him. In the second place, it held that the world was so made by God, that if each looked out for himself the whole would prosper. The two parts reinforced each other. Taken together they made out a very strong case. For the first part seemed to care for private affairs and show how each could prosper, while the second taught that the wealth of nations was best increased by increasing the wealth of the men who made up the nation. For this second doctrine Smith was fond of using the phrase "an invisible hand." Hence we might call the doctrine, in its two parts, "Liberty and the Invisible Hand." Each deserves a word of explanation.

The first part of the Let-alone Policy—Liberty—

made a strong appeal on two grounds. There was for one thing the argument that a man could gain more if he were left free. The old gilds had been a great help to their members in the Middle Ages but of course they helped the member most when he had something to sell. When he came to buy it was another story, yet the gilds' control worked on the whole to the benefit of those who belonged to the gilds. As conditions changed, however, the balance tipped the other way. Multitudes of workers on farms who had always enjoyed little holdings of their own from which they got a good part of their living, were pushed out by the new system of farming in which the common lands were divided up into large farms. These men got no benefit from the gilds. Indeed the gilds, if they had any effect at all, interfered to prevent these men from getting work. And on the other hand the same men were squeezed by another jaw of the vise. For they had nothing to sell except their labor; hence they wanted to buy bread and other articles to eat and wear, as cheaply as possible. But the government had from early times been accustomed to collect a tax upon grain coming from other countries. This helped English landowners to get a higher price for their grain, and as English landowners made up a controlling part of the government, it seemed to them a very desirable way for the government to help the nation. The best thing for the individual, Smith held, would be to set him free from all the regulations of gilds on the one hand, and of government on the other. Give him a free field and no favors and he would get on better than if kept in leading strings.

The other reason why the policy of liberty appealed to men was that it was a part of the larger progress

Liberty a
natural
right

of liberty which we have already noticed. In the middle of the eighteenth century Englishmen had secured civil liberty; they had secured many liberties in matters of taxation and in matters of religion. These, as has been noted, they came to call "natural rights." Americans in the new world under frontier conditions were also moving toward freedom from fixed social classes which tended to keep the son on the same level as the father. To say that a man should manage his business as he pleased fitted into this general program. It was one of the most important kinds of liberty. It seemed like a natural right. Add to all this that Englishmen in the eighteenth century and the American colonists also were always suspicious of the government. They thought of a king as always anxious to increase his power, and they were on the watch to prevent anything of the sort. They did not think of the government as simply a servant of the people for doing certain things. Hence any interference with a man's business was resented as a sort of tyranny.

Liberty
best for
the nation

The second part of Smith's doctrine was that this liberty was best not only for the man who had it, but for the nation. This, too, was part of a general way of thinking. For example, it was the belief of some that it was especially desirable for a nation to have a large shipping industry. Suppose that English merchants trade with French. Both sides may gain, but some of the profits must go to pay the shipowner who carries the goods back and forth. If it is an English ship, then this money will stay in England; if it is French or Dutch, it will go out of the country. Hence governments would encourage men to go into the carrying trade rather than into some other kinds of

business. Adam Smith pointed out that we ought to consider whether the ship-owner was really gaining more by the shipping business than by some other. If he could gain more in some other way, then it would be wasting his time and capital to use them in shipping. And if all the ship-owners were made poorer it was hard to see how the nation would grow richer.

But besides such particular arguments as this, the view that what was for the interest of each must be also for the good of all was part of a general way of thinking. It was partly based on a religious view of the world, and partly on a belief in the special value of free competition in keeping prices down. The religious view was that on the one hand God had implanted in each man the desire for happiness, and on the other, God, as a benevolent being wished the happiness of all. Hence he had so ordered things that each one by seeking his own happiness would at the same time be doing the best service for all. This is the work of the "Invisible Hand." It can easily be seen that this was a very comforting doctrine to hold, and those who held it sometimes forgot that religion has always taught that men cannot simply look out for their own affairs. It has held that we must love our neighbors as ourselves, and that this will often mean thinking about our neighbors' welfare, not merely taking it for granted that Providence will take care of them while we give our whole attention to our own affairs. Blackstone, the great authority on law in the eighteenth century, had this general view of which we are speaking. He thought that all human laws really were based on the divine law of the world, which is called the law of nature. He believed that scholars and judges may discover what this is by using reason.

The
Invisible
Hand

That if the judge says "That is a reasonable price" then he means it is right to charge it; but if he says it is unreasonable then he believes it is wrong to charge it. But, says Blackstone, "the common man may not be capable of reasoning out what the natural law is, and here we see the divine goodness; let him seek his own true happiness and this will be a simpler way to find out what is right."

Free competition a good

Besides this religious view there was also the thought that *free competition* would certainly be a good thing for buyers. It was contrasted with monopolies. If one man or one company has a monopoly, then a higher price may be charged. There will be a limit, because it is almost always true that if a price is charged which seems outrageous people will go without or will find some substitute for the article. In the eastern part of the United States people think of coal as a necessity. Nevertheless when the price was doubled during the strike among the anthracite miners, many found that they could use soft coal, or coke, and some even began to think of peat. And a monopoly may find it pays better to sell more at a lower price than to sell fewer goods at a higher price. It may be more profitable for a railroad to carry a thousand persons at a dollar each than four hundred persons at two dollars. Fixing the rate at a price that will bring the largest return is called "charging what the traffic will bear." It is evident, however, that to charge what the traffic will bear may in many cases yield great profits. Some other person might be glad to do the work or sell the article for a smaller profit. If there is free competition there will be an automatic check upon too great profits. The buyer will share in the advantage of new ways of making and transporting

CONTROL OF PRIVATE BUSINESS 233

goods. And besides it is likely to stimulate makers and sellers to find out better ways of making and selling if they know that others are selling at lower prices than they.

All these reasons—natural love of liberty, distaste for any government interference, trust in the providential harmony between each and all, and belief in the value of competition—made the system of Let-alone, *Laissez-faire*, very strong. It is still maintained in much of our law, for it is embodied in many of the state constitutions. It must be remembered, however, that it was worked out just before the Industrial Revolution. It had in mind chiefly the conditions when there were no large factories, no railroads, few cities, almost no corporations, and no labor unions. It is because the revolution has made such sweeping changes that in certain respects we have broken altogether with the view that liberty and competition are all that we need in order to secure justice and public welfare. In other points there are still two opinions, some holding that the government should aim only to keep the field of competition open, others holding that it is better to permit combination, and regulate it.

The third stage of opinion is that upon which we have recently entered. It is now held that the new conditions require a change in public policy. This stage of opinion is illustrated by three types of regulation.

(3) The
policy of
regulation

Railroads represent such enormous power of capital and affect the business and life of every one of us that they have naturally received the greatest consideration. Farmers believed that the railroads were charging too high prices and in 1873-74 began what has

been called "granger legislation" to control and regulate freight rates. The railroads naturally resisted this effort, but the courts held that the railroads were property "affected with a public interest." In other words, they were not doing business as purely private corporations but were also bound to consider the public welfare and therefore might be compelled to submit to regulation in the interest of the public. But the business of a railroad is so complicated that it is evidently difficult if not impossible for any legislature or court to say offhand what prices it should charge. It was seen that some scientific and impartial body was needed to investigate conditions and find out what ought to be charged. Such a body was organized in 1887 as the Interstate Commerce Commission, which has come to take a larger and larger part in regulating the transportation of the country.

Regulation of other kinds of business and private property has followed. The use of powerful and dangerous machinery, the dust and the poisonous chemicals used in many industries have made many trades extraordinarily dangerous to life and health. The government has more and more compelled factory owners or railway managers to safeguard the life and health of its workmen. This follows under what is called the police power of the government, which will be explained in the chapter on Public Welfare and Private Property. Another type of regulation under the police power is the regulation of housing which has been made necessary by the growth of cities and is therefore in one sense a part of the regulation of business by the public.

The third great field in which this new policy of the government has shown itself has been in the regu-

lation of business with the special purpose of preventing monopoly and unfair competition. The Sherman Act passed in 1890 was the leading statute in this field. The details of this regulation are explained in Chapters **XXVII** and **XXVIII** on Competition.

PUBLIC WELFARE AND PRIVATE PROPERTY

WHY do I have a right to say that something is "mine"? Or, in other words, what is the basis of the right of property? If I own a piece of land or a house or railway can I do with it just as I please, or are there limits to the right of property? These are very important questions which men have thought over a great deal. Many answers have been given to the first question, but it will be sufficient to notice four.

(1) Robinson Crusoe called his island "my island." What made it his island? When white men came to America they found the Indians living here. The white men usually "took possession" of the country in the name of the king of England or of France, and later on proceeded to divide up these regions and portion them out to colonies. The actual colonists usually made some kind of bargain with the Indians. They bought the land from them. What right had the Indians to the land and what right had the king of England or of France to "take possession"? Suppose you pay your fare on a street car or a railway train and take some vacant seat. If some one else comes along and asks you to move you might say "This is my seat." What gives you a right to this seat rather than to any other? And why have you a

right to this particular seat any more than any one else who has paid his fare?

It is very easy to see that there is one reason for allowing you to keep the seat which you have taken and for calling that "your" seat. It prevents quarreling. If the first person who takes a vacant seat is recognized as the rightful owner as against a later comer we have a simple and easy rule to promote order. In the same way if a line is formed to buy tickets for a game, "my" place in the line is the one that I take because I reach the place first. Every one regards this as a fairer way to act than to have squabbling and pushing for a chance to buy. So if you find a meteorite. Meteorites are larger or smaller fragments of rock or metal which fall upon the earth from the sky, or more accurately from the regions of space which the earth passes through. If you should find a meteorite in the road, it would be yours as against any one else who might come along and try to take it away from you. In all these cases we have the proverb "possession is nine points of the law." In early times the great object of law was to keep the peace. It is not strange that the theory that "occupation" or "possession" gives a right to property was common. We see that we apply it now to certain cases.

(2) But evidently this can apply to only a few kinds of property. There is not much land for Robinson Crusoes to occupy. And even in early times there was another way than prior possession of coming to own things. When a savage cuts a young sapling and works it up into a bow he calls that "his" bow. And the rest of the tribe regard it as "his" property. When a man made a pair of shoes or a coat he took the hide or the wool which was worth very little and

(2) Labor
theory

by his work made it into the shoes or the coat which would be worth much more. He would have a right to the coat or the shoes if he made them. This view emphasizes the fact that most things which we find are not worth much until we have put labor into them. The stone lying in the field is of no use; when it has been brought to the site where a house is to be built and when it has been squared off by chisel so that it can be built into the wall it becomes valuable. Coal in the ground is of no use until labor digs it out and transports it to the stove or the forge. A pound of iron ore just as it is taken from the ground is worth very little, but after it has been made into needles or razor blades by skill and labor it becomes very valuable. On the basis of such facts as these some men have thought that all value comes from labor and hence that all property ought to be based upon labor. The man who makes anything has, it may be thought, the best right to it. This was the view of John Locke, who had so much to say about man's natural rights to liberty and property. It seems to have been the view of Adam Smith, the great writer upon political economy.

Defects
in the
labor
theory

There are two defects in the labor theory. In the first place, it evidently does not apply to certain kinds of property. If we consider property in land it is evident that we do not consider that the Indians owned the land because of their labor upon it. And if a white man bought of an Indian a piece of land where a great city has grown up it is clear that the enormous value of the land today is not due to any one's labor upon the land. The value of the land is due to the fact that many people live near it and so would like to use it for shops or homes. And in the second place it is

hard to apply this theory even to articles like tools or clothing or shoes. For all these things are now made in great factories by machinery. To build the factories and organize the work requires capital and good management. It calls for the inventor and the good salesman as well as for the man who does the actual manual work. And besides all these there is the work of the post-office, of the telegraph and telephone, and of the railway. Indeed, if we look farther we shall say that we cannot carry on shoe-making and cloth-making, except where there is peace and order and education. The work of the teacher, of the fireman, of the judge, of the policeman, of the physician, of the clergyman goes into the making of the pair of shoes. And last of all, though this is sometimes forgotten, the work of the woman in the home who feeds the workman and cares for the children is a part of the value of the pair of shoes. It is evidently difficult to say just how much of the shoes each one of these various workers is entitled to have as his property, if we try to measure it by labor alone. The labor theory is, then, a theory which has much truth in it, but does not apply to all property, and cannot in our present society be applied to tell how much property any one has a right to.

(3) A third theory is called the "freedom" theory. It holds that a man cannot be really free unless he holds some property. If a man's hands were tied he would not be free. If there were no piece of ground where he had a right to stand, he would not be free. Even if he had a boat he would need to come to land sometimes. If, however, he has only his bare hands he is not very much better off than he is if his hands are tied. In most parts of the world he would die of exposure if he could not at least have clothing, and a

(3) Freedom theory

shelter over his head. The man who is really free needs to have some sort of tools, clothing, shelter, a place to sleep, and some security as to his bread and butter for tomorrow as well as for today. How can he be sure of these things? The simplest way seems to be that he shall "own" his clothes, his house (or at least be able to rent a room), and at least certain of his weapons or tools. A hundred years ago when freedom was the great watchword it was natural that the right of property should be based upon freedom. Since freedom or liberty was regarded as man's natural right, it is evident that on this third theory, as well as on the labor theory, property might be regarded as a natural right.

(4) Social welfare theory

(4) The "social welfare" theory. This theory holds frankly that the right to property is not a right which men would have if they were living each by himself. We get all our rights by being members of some body or some society. I have certain rights because I am an American citizen. I have certain other rights because I belong to a certain city. I have other rights as a member of a club or a school. To say that I have a right means that somebody else has some duty to me. If I have a right to property this is because others have some duty to treat this property as mine and to protect me in the use of it. Now it is hard to see why I can say that others have any duty to me unless it is because we are all members together of some group or society. The social welfare theory holds that the right of property is based on the fact that it is for the social welfare to allow individuals to own property and to protect them in this right.

The law recognizes two views

Our laws in the United States are based upon two different theories. On the one hand, our Declaration of Independence and many of the state constitutions

took the view of "natural rights." This was that property, like liberty, was a natural right of each individual, and that the government was established to protect him in his natural rights. On this theory, the government must interfere as little as possible with his property.

On the other hand, the laws have always recognized that the community, that is, the people as a whole, has a certain right superior to that of any individual. As Judge Shaw stated in his opinion the right of property is always subject to the common good and general welfare.

"We think it is a settled principle, growing out of the nature of well ordered civil society, that every holder of property, however absolute and unqualified may be his title, holds it under the implied liability that its use may be so regulated, that it shall not be injurious to the equal enjoyment of others having an equal right to the enjoyment of their property, nor injurious to the rights of the community. All property in this Commonwealth, as well that in the interior as that bordering on tide waters, is derived directly or indirectly from the government, and held subject to those general regulations, which are necessary to the common good and general welfare. Rights of property, like all other social and conventional rights, are subject to such reasonable limitation in their enjoyment, as shall prevent them from being injurious, and to such reasonable restraints and regulations established by law, as the legislature, under the governing and controlling power vested in them by the constitution, may think necessary and expedient."

There are four different ways in which the public asserts its superior right and insists that in case of conflict the right of private property must yield to that of public welfare. These are the doctrines of tax-

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ation, of eminent domain or taking private property for public use, of property affected with a public interest, and of the police power.

(1) Taxation

No government could exist without a right to levy taxes—at least this is what we should say in modern times. Athens got along very well without taxing its citizens because in the first place it owned silver mines which brought in a large return, and in the next place it collected large "contributions" or tributes from its allied states. Modern states receive some income from other sources than taxation. Courts collect fees from those who have cases before them and impose fines upon those who violate the law. Cities frequently derive income from their water-works and in Europe railways contribute to the revenues where they are owned by the government. But in the United States taxation is the great source of revenue.

In 1913 the United States census estimated the total taxes (ad valorem) other than federal taxes to be \$1,349,841,038 * which were divided as follows:

LEVY OTHER THAN FOR SCHOOLS

| State | County | Municipal |
|---------------|---------------|---------------|
| \$111,173,773 | \$257,115,032 | \$584,697,040 |

LEVY FOR SCHOOLS

| State | County | Other Civil Divisions |
|--------------|--------------|-----------------------|
| \$44,469,575 | \$31,817,172 | \$310,694,225 |

This makes about \$13.91 per capita. In 1913 the tax for national purposes amounted to \$6.83 per head, making a total of about \$20.74 per head. For a family of five this would amount to an average of about

* Includes \$9,944,221 levy on "corporate excess" not distributable between state and other civil divisions in Massachusetts.

\$104. The national tax is levied chiefly "upon consumption," that is upon such articles as sugar, clothing, tobacco, alcoholic liquors. The more of these one uses the more he pays to the national government. The government levies a tariff upon the importation of certain classes of goods, and an internal revenue tax upon the manufacture of certain things. Then the importer and manufacturer usually add the amount of the tax to the price of the goods. State, county, and city taxes, on the other hand, are levied chiefly upon the property of the taxpayer. The more land, or buildings, or personal property, such as money in the bank, household furniture, stock in trade, shares in corporations, that one has, the more he is expected to pay. In any case it is a large sum, though by no means so large as some European countries collect.

What gives the government the right to take this large amount from the private property of individuals every year? The legal right is given by the fact that the people themselves through their representatives vote it. What makes it right for the representatives to vote for such taxes? Broadly speaking it is because we could not have any civilization at all without national defense, education, roads, post-offices, protection to life and property from fire and violence, and all the other services which the government renders. But there are several definite limits to the taxing power. It must be exercised "for public purposes." The government could not lay a tax simply in order to take away money from one person or one class and give it to another person or class. The income tax measure of 1913 does indeed tax only those having an income of \$3,000 or more, but the tax is not levied in order to take property from this class. It is levied

because it is believed they are better able to contribute and also because it would be expensive to collect a tax upon very small incomes.

May the government raise taxes to help in the building of railways or to help a new industry which purposes to build a factory in a given town? Most of the states have held that it is a "public purpose" to aid in building railways on the ground that they are at least semi-public enterprises. They are in part like highways. On the other hand, the courts have decided that it is not proper to issue bonds in behalf of a wholly private enterprise. The city of Boston was not allowed to issue bonds to aid in rebuilding private buildings destroyed by the great fire of 1872. The "leading case" in the United States Supreme Court is that of the *Loan Association vs. Topeka*, 20 Wall. (U. S. Supreme Court) 655 (1874). The city of Topeka issued bonds to aid a private manufacturing enterprise. Of course this would involve the taxing power because the city would have to pay interest upon the bonds and ultimately to redeem them. The court decided that this was not a proper object, and said emphatically:

"To lay with one hand the power of the government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes is none the less a robbery, because it is done under the forms of law and called taxation. . . . We have established, we think beyond cavil, that there can be no lawful tax which is not levied for a public measure."

Just what shall be called a public purpose is not by any means definitely fixed. One test is, What has been

the custom in times past? In the same decision just quoted the court says:

"In deciding whether, in the given case, the object for which the taxes are assessed falls upon one side or the other of this line, they (the courts) must be governed mainly by the course and usage of the government, the objects for which taxes have been customarily and by a long course of legislation levied, what objects or purposes have been considered necessary to the support and for the proper use of the government whether state or municipal. Whatever lawfully pertains to this and is sanctioned by time and the acquiescence of the people, may well be held to belong to the public use, and proper for the maintenance of good government, though this may not be the only criterion of rightful taxation."

Another decision says that: "what is a public use frequently and largely depends upon the facts and circumstances surrounding the particular subject-matter in regard to which the character of the use is questioned." For example, irrigation is a public purpose in California and other arid states, although it might not be regarded as such in New York or New England. Drainage has been held to be a public purpose in Illinois. Roads, schools, highways, public health and safety have long been regarded as public. The interesting question is now beginning to be raised whether it will be proper for the state to provide insurance or pensions for old age, accident, and sickness. Other countries do this. There is no doubt that relief can be given to the indigent, for this has long been done either in out-door relief or by caring for them in alms-houses. But Professor Goodnow (*Social Reform and the Constitution*) believes that if pensions are not confined to indigent persons, they are probably unconsti-

tutional under the ordinary provisions of the state constitutions, and that such pensions are probably unconstitutional under the state constitutions even if confined to indigent persons. He holds, on the other hand, that "there is much ground for the belief that such pensions, particularly if confined to indigent persons, might constitutionally be provided by the federal government."

(2) Eminent domain

Suppose the city or town wishes to build a schoolhouse and selects a suitable site. But not all persons enjoy having the schoolhouse as a neighbor. Suppose that the man who owns the land lives on the adjoining lot and thinks he would prefer not to have the schoolhouse next door, and therefore prefers not to sell land for that purpose. His feeling may be very unjustifiable, but if it were a private school he, of course, could not be compelled to sell. If this were true also in the case of a public school it is easy to see that perhaps no school could be built in the most desirable locations. The same would be true of other public buildings such as a City Hall, or a court house, or of public playgrounds. This is where the right of eminent domain comes in. The public may take private property for public use by paying the owner a fair price. The theory is that the right of the whole people for the clearly public needs is greater than the right of the private owner.

It is interesting to note that the meaning of public use under the power of eminent domain is sometimes more broadly interpreted by the courts than in matters of taxation. In some of the New England states it has been held to be proper to give to a private owner the right to build a dam across the stream for a fac-

tory, although this would destroy the property of owners farther up the stream. Compensation must of course be paid. In the Pacific states it has been held that an irrigation ditch is a public use although the water is to be taken across one owner's land for the benefit of another owner. Would it be a public use to take land in order to build homes for working people? This may be a practical question before long for the great cities. If the courts should hold that the circumstances of a great city demand peculiar provisions to meet their needs, just as the arid states require irrigation and the New England states require mill-dams, such a taking of land for building homes may be declared constitutional.

This term is especially applied to such enterprises as railways, the telephone system, gas and water works. In the case of a railway it is clear that the public has a very strong interest in the prices that are charged. If the railway made a low rate to one town and a high rate to another, it could easily destroy the prosperity of one for the benefit of the other. Under our modern ways of carrying on business no one can get along without using the railroad. Every one has to contribute, directly or indirectly, to pay freight charges, just as he has to pay taxes. If taxes ought to be fair, rates ought to be fair also. In the case of the railway also, the public gives it the right to take land for its right of way just as a city or state may take land for public purposes. This is an additional reason for holding that the railway is property affected with a public interest. In the case of a telephone line the city or town grants it the right to place its wires under the streets or on poles along the highway. Gas

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and electric light plants use the streets and are also practically a public necessity. It is therefore very generally recognized that the public has a right to regulate the prices and charges which these companies make. It cannot compel them to carry freight or conduct telephone service at so low a rate as to be ruinous. This is regarded as violating the constitutional right that a citizen shall not be deprived of his property without due process of law. But states and cities and the United States may prescribe "reasonable" rates. The Interstate Commerce Commission is the body that regulates rates upon railways which do interstate business. Several states have public service commissions which regulate rates upon street railways or the charges of telephone and gas companies. It is quite possible that as our life grows more and more complex the laws may decide that other kinds of private property shall be regarded as "affected with a public interest," or that wages as well as prices may be included under this head. The general rule which the Supreme Court laid down in the "leading case" of *Munn vs. Illinois* was as follows:

"Property does become clothed with a public interest when used in a manner to make it of public consequence and affect the community at large. When, therefore, one devotes his property to a use in which the public has an interest, he, in effect, grants to the public an interest in that use, and must submit to be controlled by the public for the common good to the extent of the interest he has thus created."

(4) Police power

The police power is in many respects the most striking assertion of public interest in contrast with private property. If I own a piece of ground in the country and wish to build upon it, I can build practically any-

thing that I please. If I wish to cover the whole lot with a building I may do it. If I wish to build twenty stories high I may be thought crazy, but no one is likely to interfere. In most cities, however, if I wish to build I must comply very exactly with a building law. It will tell me how much of the lot I may cover, how high I may build, what sort of material I must use in order to make it fire-proof, what sort of plumbing I must have, how much window space there must be in each room, and what is the size of the smallest room that I can have.

It is clear that such a law as this interferes with my private property. For it would often be very much more profitable to build an extremely high building or a building covering the whole lot. But the courts hold that the public safety is a good reason for requiring that city buildings, if of a certain height, shall be fire-proof, or that no buildings inside the fire-limits shall be of wood. Public health requires that light and ventilation shall be provided.

Another aspect of the police power concerns public morals. A man may have built a brewery in a state or city or have fitted up a saloon for selling liquor. The state or city may vote to forbid the manufacture or sale of liquor. This will cause a loss to the owner of the brewery or saloon, but he has no redress. The community decides that it will not permit the business and that is held by the courts to be a just use of the police power. The public morals are held to be more important than the right of private property.

Still another great exercise of the police power is growing more and more common. It is now put forth to protect health of workers in factories and mines. Under it hours of labor in dangerous occupations, such

as mining and smelting, have been limited, and protection against dangerous machinery has been required. Laws limiting the hours of labor for women and children have been passed in many states. These last do not necessarily interfere with the property of the employers, for in many cases they do not reduce profits.

The great opinion of Justice Brown in the case of *Holden vs. Hardy*, rendered in 1897, applies the police power to the regulation of dangerous employments, and sustains the eight-hour law for employment in mines and smelters. It deserves to be called the *Magna Carta* of the laboring people in this country. In more recent decisions the extent of the police power has been defined more broadly still. A drainage district in Illinois compelled a railway to build a larger culvert in order to promote improvement in drainage and the Supreme Court upheld this, saying, "we hold that the police power of a state embraces regulations designed to promote the public convenience or the general prosperity, as well as regulations designed to promote the public health, the public morals, or the public safety." Again the state of Idaho forbade the herding of sheep within a certain distance of a town. The court upheld the law and maintained that the power of the state "extends to so dealing with the conditions which exist in the state as to bring out of them the greatest welfare of its people." Finally, in the case of *Noble State Bank vs. Haskell*, 219 U. S. 111, Oct., 1911, Mr. Justice Holmes gave a statement which has been often cited since. The state of Oklahoma passed a law requiring the banks to guarantee each other's deposits. It was objected by the Noble State Bank that this was depriving it of its property without due process of law. For supposing

that some other bank should be careless with its funds and should lose a large sum, why should the Noble State Bank be compelled to help in making good this loss? Surely this is interfering with its property. Would it not be like compelling one grocery store to guarantee to the creditors of another grocery that they should not lose money if the grocery store should fail? The court upheld the law and Justice Holmes said:

"It may be said in a general way that the police power extends to all the great public needs. (167 U. S. 518.) It may be put forth in aid of what is sanctioned by usage or held by the prevailing morality or strong and preponderant opinion to be greatly and immediately necessary to the public welfare. Among matters of that sort probably few would doubt that both usage and preponderant opinion give their sanction to enforcing the primary conditions of successful commerce."

These four great powers of the public, the taxing power, the power of eminent domain, the power to control property affected with a public interest, and the police power remind us that the common welfare and the common good are supreme. Just as in time of war the state may call upon all its male citizens to fight and if need be to die for the common defense, so in time of peace it may take private property for public use, or control it for public welfare.

Sometimes as we carry on our business or live our private lives we are so taken up with earning a living or with our friends or our families, our pleasures, our education, or our gains that we forget the supreme claim of the public upon us. These claims upon our life and property serve to remind us that we are not any of us living for ourselves only. In fact our obligations to society are really very much greater than the

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law indicates. All business and all property are really affected by public interest, for every productive enterprise is helping and every wasteful enterprise is hindering public welfare. Without the great inventions and ideas which education brings us, without the peace and good order which government secures, without the arts and sciences which society makes possible, there would be no wealth and no property; indeed, the life of each of us would be brutish. It is, therefore, increasingly the duty of the good citizen to recognize the larger interest of the public and to recognize his own responsibility for the privileges which the public grants. The man who is always thinking of his own rights and seldom or never of the rights of the public shows himself to be a very small man. In early days in the United States it was for the public welfare that each pioneer settler should strike out boldly, cut down the forest, or break up the prairie. He did not need to think much of the public. The citizen today is in a very different situation. Public welfare, as we have seen, has come to require a larger and larger degree of coöperation, communication, and interdependence. Private property is therefore increasingly subject to public control. The only way in which our crowded life can be made a noble and free life is by the larger recognition of the common good.

CHAPTER XXV

FAIR PRICE

THE question of fairness in business arises in several different ways. Three of these are of especial importance: If one man is selling an article to another the question is, What is a fair price for the article? If one man works for another the question is, What is a fair wage? If two men are making the same articles and are competing with each other in building up business, or if two workmen are competing for the same job the question is, What is fair competition? It will be seen as we go on that under our present methods of carrying on business, and in the eyes of the law, the first two questions often pass over into the third.

What is a fair price? What test can be used? "Fair" means, nearly, what is just or equal. A fair price is one that is in some sense equal for buyer and seller. If things were all stamped with a mark, as coins are, then it would be easy to tell what a fair exchange would be. To exchange a half-dollar for two quarters, or two five-cent pieces for a dime is fair. But how can it be said whether a bushel of wheat is a fair exchange for a knife, or whether a hat is a fair exchange for a book? The value of these things seems clearly to depend on how much any one wants wheat, or knives, or hats, or books, and also on how easy it is to get them. If you have a knife and

Is a price
fair if
both
parties
agree?

want wheat, and I have wheat but want a knife, if you have an extra hat but want a book, and I have plenty of books but want a hat, it is usually possible for us to agree on an exchange. If we are both satisfied, what more can be asked? Hence the simplest rule for a fair price is: *a fair price is one on which both parties agree.* This makes each party the judge of what is fair for him. This is equal; not in the sense that the articles are equal—as two quarters equal one half—but equal in giving each party something that he wants.

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But how much wheat shall be given for the knife, and how good a hat shall be given for the book, and in case the two parties do not agree at first how is an agreement to be reached? The simplest answer to this is, by bargaining. Neither party, perhaps, will get as much as he might like, but if each wants what the other has, some compromise will be found. "Higgling of the market" is the phrase used to describe the process of reaching the compromise price. Boys trade jack-knives, and, in the country, men often swap horses on this plan. In the old country store the shopkeeper and farmer's wife would bargain in this way until they agreed on a price for his cloth or her butter. The customer who succeeded in beating down the grocer a few cents on one article felt pleased with his shrewdness and thought he had reached a fair price, while the grocer was equally satisfied, for he knew he could make up for his loss on this article by charging a higher price on some other article.

In modern business, however, the method of bargaining in order to reach a fair price by agreement has taken such a different form that it is at first difficult to see where the bargaining and agreement come in. In all the great retail stores, the rule is, one price

to all. The element of bargaining and agreement really enters indirectly. For the merchant sets a price at which he thinks he can sell his goods. If they do not sell fast enough at his first price he frequently lowers it. He is bargaining not with one buyer but with the large number of buyers who may take the article if its price suits them. The buyer on his part cannot beat down the merchant directly, but he can try another shop, and if he finds prices no lower he can oftentimes wait before purchasing or until the merchant announces a reduction in prices. In wholesale dealing or in making large contracts there is still a great deal of individual bargaining. The traveling salesman aims to meet the price of his competitors and if necessary go a little lower than their price.

Bargaining and agreement will give a fair price if *the two parties are equal*—that is, equal in bargaining power. This makes the agreement satisfactory, for each is getting what he wants, or, at least, something nearly like what he wants. The chief factors in making men equal in bargaining power are knowledge, and wealth. Knowledge prevents deception or mistakes; wealth enables a buyer or seller to hold out for a more satisfactory price, instead of being obliged to take the first offer. In the old country store the parties were usually well matched in wits; in a horse trade neither party is usually forced to trade, and so need not seem anxious.

But when the two parties are unequal, bargaining may not give a fair price, even though the parties agree. For in this case the agreement is not what really satisfies the weaker party. The two main sources of weakness are ignorance and need. The man who is ignorant of the market may be at fault

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for not reading the market quotations and so may blame himself, but if he thinks the other party has deceived him, or has taken advantage of some secret information he is likely to feel that the bargain is unfair. The man who is in great need evidently cannot get as good a bargain as if he could afford to wait. Sometimes a bargain made under such stress does not result in an unfair price, but sometimes it does. We may distinguish three cases:

The first case is where gain is involved. The seller may suddenly need money to meet payments on his notes, or to take advantage of a good chance to buy more goods for cash; he advertises a forced sale at a reduced price, and no one considers it unfair to buy at this price; indeed it helps the seller. Or, a building contractor may see an opportunity to secure a good contract to build a mill or bridge if he can buy the iron. He needs the iron and is willing to pay a high price for it. It is not unfair that the iron maker raise the price of iron enough to share in the expected profits from building the bridge.

The second case is where the need is not for making a gain but for supporting life. If a wheat crop fails over a large part of the country, is it fair for those who have wheat to raise the price and thus force nearly all to suffer inconvenience, and the poor to suffer actual hardship? If the coal dealers encounter a scarcity of coal because the railroads do not deliver it fast enough to supply the demand, is it fair to raise the price and thereby reap a profit at the expense of hardship to the consumers? People must have bread and heat. Is it fair to take advantage of their necessities for the sake of higher gains? Those who answer "yes" say that charging a higher price is the best way to induce buyers

to be economical in using the smaller amount, and that less suffering is caused by this in the long run than if prices were kept low and people used food and fuel at the ordinary rate, thus exhausting the supply. Those who answer "no" say that it is unfair to throw the burden of a high price upon those who are not able to bear it, and that in order to prevent scarcity and waste the community through the government ought to step in. This latter is the method which governments have followed recently in war. This second type of case is then one in which there are two views as to the fairness of a price based on bargaining.

The third case is where one party has a monopoly. Is it fair for him to take advantage of the needs of buyers? In case the article which he controls is a luxury, such as a fancy colored trimming for gowns that is the fashion for the season, few would blame the owner of the dye used for this fancy color if he charged a high price for his supply. But if the article were a necessity and the monopolist had deliberately cornered the market in order to force the price up, there would be little difference of opinion. This would be held unfair and the law has for a long time interfered with "corners" and monopolies.

What will keep the parties to a bargain equal and so make their agreements yield fair prices? Three methods are used: competition, combination or coöperation, and public regulation. How maintain equality

First, Competition: This has been the great reliance during the past century to keep prices fair and prevent one party from taking unfair advantage of the other's ignorance or need. If there are several sellers all eager to get his trade, the buyer can usually depend on get-

(1) By competition

ting as low a price as the seller can afford. If there are several buyers in the market the seller will find out what his article is worth, and usually will not be forced to sacrifice his goods at a loss. A price may go up or down when there is sudden scarcity or surplus, but competition will soon cut down excessive profits and prevent excessive losses. This has been the theory on which the courts have encouraged competition. Now, however, we are seeing more clearly that *mere* competition is not enough, for some kinds of competition are used to strangle competitors or drive them out of business. When the great corporation has thus driven its competitor out of business, it frequently raises prices. Competition has proved the great means of gaining monopoly. Hence those who believe in competition insist that it must be *fair* competition. Both the government and business men themselves have concerned themselves recently more than ever before with the question, What is fair competition?

(2) By combination

Second, Combination: When one party is too strong several weaker persons or firms may combine against the stronger. Farmers have combined to buy machinery or groceries, or to market their crops. In England the labor unions have combined to maintain coöperative stores. These are supposed to work partly by cutting profits of middlemen, but largely by their greater bargaining power. They can buy at lower rates if they can order in great quantities.

As those who have formed such combinations as those just mentioned have been usually the weaker parties they have had public sympathy. But when powerful sellers have combined to raise prices, buyers have objected, and have claimed the help of the law. The Sherman Act has declared combinations in restraint of

trade unlawful. It was considered that such combinations led to monopoly and an unfair price. The latest law of the Federal Government on the subject, the Clayton Anti-trust Act, exempts labor, agricultural, or horticultural organizations instituted for the purpose of mutual help, from the anti-trust laws. Manufacturers and dealers are apparently regarded as needing different treatment.

Third, Regulation: In many cases there is no competition and ought not to be. Only one railroad can properly be built where there is business for but one, and this railroad must have a monopoly. There ought to be but one street railway or telephone system in a city. In such cases we say there must be regulation by the government in order to secure a fair price. Gas, electric light, transportation, are necessities; coal is also a necessity and competition does not seem to work in regulating its price. Regulation of railway rates is now administered by the Interstate Commerce Commission. Regulation of gas, electric lighting, and street railway rates, is under the charge of commissions or city councils, or state legislatures. If these bodies fix what seems to the companies too low a rate, the companies appeal to the courts. The courts try to decide what is fair, or, as they put it, what is "reasonable." This evidently calls for some principle other than that of the agreement of the parties. What basis is there for fixing a fair or reasonable rate?

Two principles are proposed: (1) A fair price is what it costs to produce articles plus a reasonable profit; (2) A fair price is what the seller can get. In the case of railroads this second principle has often been stated as charging what the traffic will bear.

(3) By regulation

Two other tests for fairness

These two principles, it is easy to see, look at the matter from two opposite sides. The first asks, For how much can I afford to make the article or perform the service?, that is, How much is it worth to the producer and seller? The second asks, How much can the seller get the buyer to pay, that is, How much is it worth to the buyer in satisfying his need or want? The first is called the cost principle, the second the utility principle, for the worth of an article to the buyer in satisfying his need or want may be called its utility to him; it may from one point of view be called the principle of "what you can get."

(1) Cost

It would take us too far into details if we should follow out each of these principles thoroughly. It is clear that the cost of most articles will depend largely upon wages or salaries and upon the interest paid on capital. If I open a shop to sell clothing I must reckon into the cost, not only the wages of my clerks, but the wages of all the men from farmer to tailor who have worked on the wool and cloth. I must also reckon the interest I pay on the money with which I buy my stock of clothing and likewise the interest that has had to be paid all along the line while the wool was growing, getting to market, going through the process of manufacture, and finally of sale, and also the interest paid on the cost of factories and machinery. So the question of cost will be largely a question of a fair wage, and a fair return on capital. And if we assume that the seller is providing something really needed, two principles would seem to be fairly clear: a fair price must not be so low as to compel an unfair wage; nor must it be so low as to make it impossible to pay interest on capital actually needed. In the first case the reason is evident; in the second, the reason is that

the seller cannot do business at all unless he can get the use of capital. The chief difficulties in applying this last principle is that many firms have issued a great deal more stock than should have been needed. Some years ago a Chicago street railway had a capitalization of about eighty millions when its property was worth about twelve. To pay interest on all this eighty millions would make the expense of transporting passengers excessive, and hence prevent the lowering of rates. A fair price could hardly be based on such capitalization. The chief argument in defense of "watering the stock," as it is called, is that men will not invest money in a new and risky enterprise unless there is a chance of large return. If half of such risks turn out failures then men must be offered high enough interest so that they can even up their losses by their gains.

In the long run, if we think of the seller as standing chiefly for the people who make goods, the cost will mean to them, not only how much work they put into what they sell, but what comes back to them in return; how much they can enjoy of life.

Looking at a fair price from the other point of view, it is evident that the utility of any article to the buyer may vary all the way from the high utility of an absolute necessity of life to the utility of some article which he would like but could easily do without. For articles of the first kind a price ought not to be so high as to compel starvation or suffering—unless the seller is also starving or suffering, in which case both would be on an equal basis. For other articles the utility is, we say, relative. Some kind of a room or house is a necessity, but if I wish a good, well lighted room, or a warm house, I may have to go without an

(2) Utility

overcoat. If a woman hires her housework done she may have to make her own clothing. The price of utilities will decide how many a buyer can have. In the long run prices will mean to the buyer how much of life he can enjoy.

A "reasonable" attitude

This gives us a point of view for considering what is fair or reasonable as between buyer and seller. For if in both cases it settles down to the question, How much of life each can have? the fair thing is for each to put himself in the other's place and consider. "Reasonable" has a good many meanings in law, but one meaning is just this: looking at a matter from the other man's point of view, and hearing his side. To refuse to listen to both sides of a question is to be unreasonable. In short, to be reasonable or fair is very nearly the same thing as to follow the Golden Rule.

fact that employers are now chiefly large corporations. For these have great reserves of capital. In the matter of knowledge also the great immigration in recent years has brought to this country many who do not know the English language and are strange to all our ways. Some employers have taken advantage of this ignorance to make unfair wages.

How then shall the weaker party be made equal to the stronger so that agreements may give a fair wage? Four methods are relied upon to secure fair prices.

When there is a scarcity of labor different firms compete for workmen. During a war the demand for workmen in factories which make munitions draws workmen from other industries. Wages rise. When the great farmlands of the West were opening to settlers many workmen left other industries to become farmers. This helped to keep wages high. But on the other hand the native workmen have had to meet the severe competition of the hundreds of thousands of immigrants who have been coming into America so rapidly of late. Many of these immigrants have been accustomed to very low standards of living and are at first willing to work for very low wages. The workingmen have regarded this as "unfair" competition, and we shall consider it under Chapter XXVIII.

One reason why the worker is weak is his lack of education. The so-called unskilled worker is the one whose wages are lowest. As we go up the scale in skill and knowledge wages rise. There are such multitudes of unskilled workers that their very numbers keep the scale of wages low. If more of the unskilled workers should gain education they would rise into a

How
maintain
fairness
in wage
bargain-
ing?

(1) Com-
petition

(2) Edu-
cation

higher class and there would be so many less to compete in the lower class. There is no doubt that education and skill do increase the bargaining power of the worker. If any father or mother should ask me "How can I make sure that my boy or girl will have a better chance in the world than I have had?" I should answer "Give him or her the best education you can afford." In providing public schools we have done much to make fairer wages possible. What is at present needed is a far better education for many kinds of work for which the schools now give little training. So-called vocational schools ought to be a great help in this direction and do for the wages of workers in various crafts and trades what our commercial high schools and our normal schools and law schools now do for salaries in business, in teaching, and in law. But it is evident that education will not settle the whole problem of a fair wage. There are bound to be for a long time great numbers of workmen who will actually be at a disadvantage in bargaining singly.

(3) Combination

This has been the great method of workingmen in attempting to meet the great power of capital. The individual worker has little choice except to take a job or leave. And while at times competition of employers may raise his wages, at other times competition of other fellow workmen will pull them down. If all the workmen in a given trade can combine and set a price or if all the men in a shop can combine and make their bargain at once they have a great advantage. This method of combining is called collective bargaining. It is the great reliance of the trade-unions at present. Skilled workmen have been very successful in organizing unions: the locomotive engineers and

other railway brotherhoods form one large group; the American Federation of Labor is another great group of such unions. How far they have actually raised wages is in dispute. It is claimed that the price of living has advanced so rapidly in recent years that workingmen are really no better off because of their advances in wages. In any case it has been found difficult if not impossible to organize great numbers of unskilled laborers. Sometimes this is due to the opposition of employers who have not hesitated to combine themselves and to resist in every way possible the effort of their workmen to combine. In other cases even where there has been no employer's opposition the unskilled workmen come and go rapidly or speak different languages or are for various reasons incapable of being easily organized. Hence combination is only partially successful in helping to even up the position of the worker with that of the great employer. Sometimes, however, the combinations of workmen have become so powerful as to make them the stronger party in bargaining. When all men in a trade are in the union and when a union can accumulate a reserve fund to maintain a strike the employer may be forced to yield to what he considers an unfair demand. If, however, in such a case, the employer can add the cost of higher wages to the cost of his articles and thus pass the charge on to the public, then the public becomes interested in the question as to whether the wage is fair.

When employers and workmen cannot agree and the public would suffer by a strike, as was the case in the great coal strike or has nearly been the case when the railway brotherhoods have threatened strikes, there is a demand for arbitration, which means that if the two parties cannot agree they shall refer the matter to

(4) Arbitration
and regulation

some referee. This has occurred again and again during recent years and frequently it has been possible to make a settlement that would partially satisfy both sides. At any rate almost any settlement would usually be better than a long strike with great loss to both sides. In some cases, however, the public has stepped in not merely to arbitrate in case of a difference but actually to protect the weak by fixing a minimum wage. Arbitration has frequently proceeded on the rather superficial plan of striking a balance between the demands of the two parties. If the union asked for \$3.00 a day and the employer claimed that \$2.50 was enough the arbitrators have often awarded \$2.75 as a fair compromise. But this is not always satisfactory. It leads each side to make a claim for "trading purposes" instead of attempting to discover what is really fair. The demand is increasing that when there is arbitration it shall be on some principle other than that of simply splitting the difference. In the case of fixing a minimum wage some principle is evidently needed. Hence we are led as in the case of fair price to ask, How can we fix upon a fair wage when parties cannot agree or when they are unequal?

If we need take into account only two parties, the worker and the ultimate consumer, the case would be relatively simple. For example, in the case of coal, we should have, on this basis, only the coal miner and the people who use the coal. Then we might consider the two principles already noted under the question of fair price.

The first principle looks at the problem from the point of view of cost. How much does the workman put into his work in the way of time and strength and skill and intelligence and what sort of a life can

he live? The other point of view considers the employer and the public, and asks, "What is his work worth to the public, that is, what is its utility?" Practically this often will mean, "What can the worker get?" If we look at the matter from the workman's point of view, should not all workmen receive very nearly the same? If a man puts in all that he has, is he not doing his best and should not all men have a good standard of living? Looking at it from the other end, however, it is very clear that some men's work is worth far more to society than the work of others. If you are sick you want the skilled physician; the man of no training is worthless to you. If you are riding on a train you want a skilled engineer in charge of the engine; you would not like to trust your life to any chance man that might undertake to guide it. If you are a farmer you want advice from men who know about soils and seeds and insects; if you are a manufacturer the man who can invent a new process may be worth ten thousand ordinary men. The value to the country of science in the development of our wealth and resources can be measured only by hundreds of millions of dollars.

But if there were only worker and consumer we could state a minimum and a maximum that could be used in reaching a fair wage. For the minimum we must look at it from the point of view of the worker. No wage in a country like ours ought to be too low to keep the worker in health and vigor, to enable him to have a family and give his children a fair start in life, and to have at least some opportunity for recreation, for friendship, and for taking an intelligent interest in our civic life. A minimum wage ought to be high enough to enable a man or woman to be a good citizen.

The principle of cost and the principle of utility

Minimum standard

Aristotle, whose ideal of living nobly and well we have often referred to, thought that of course no working-man could so live. In a country of such resources and general prosperity as ours, a fair wage ought to aim at making such a standard of living possible for all.

Maximum

At the other end of the scale we have to consider that such a wage is possible only if workmen are not only willing to work but capable of making things that others want, that is, of doing work that is really useful. This means increasing intelligence and skill as well as the other qualities that go to what is called efficiency. We must consider also that since a higher wage means a higher price which consumers must pay, too high a wage, from this point of view, must mean that consumers cannot afford to get things which they need for their life if it is to be fair and noble.

We should then come back to the same principle that we reached in the matter of fair price. A wage that is fair to the workman and to the consumer and public cannot be decided absolutely from the point of view of any one group. For too high a wage means that the consumer must go without things; too low a wage means that the workman must go without things. A reasonable wage will be one that will consider both sides.

The employer's share

But under actual conditions, the most difficult factor in the question of a fair wage is due to a third party. In the case of coal, to refer to our former illustration, there is not only the worker who mines the coal and the consumer who needs it to burn; there is also the owner or operator of the coal mine. He is the actual employer with whom the workman has most to do. He may combine two or three kinds of persons. As the manager or superintendent he may be regarded as a

A complex problem

high-grade worker; as undertaking a business with a greater or lesser risk, he is liable to gain profits or suffer losses. Finally, as owner of the mine, he feels entitled to some interest or rent on his investment. It is because the wage or salary of business managers, amounting in some cases to as much as fifty or seventy-five thousand dollars a year, has been so extraordinarily high in proportion to the wage of other workers, and because the profits of *successful* businesses, and the interest or return upon certain kinds of property, especially mineral or oil lands, have been so dazzling that the principle "what you can get" has seemed to be the only one in use by this third party. Why then should not the worker adopt the same principle?

Business management has sought to increase its gains in two ways: First, by giving greater utility or, as we more commonly call it, service—either better in quality, or to more people. If this involves taking risks, then risks are a part of the service and must also be paid for. But secondly, business often seeks some kind of monopoly so as to compel a higher price. It has been willing to pay a high salary to a manager who can increase its gains by either method.

In seeking a principle for a reasonable wage as between the worker and employer, if the employer is depending upon any aspect of the monopoly principle, then it is difficult to see how the workman can be expected to apply any other. A fair wage is what he can get by monopoly methods. The consumer is liable to be squeezed if both worker and employer collect monopoly prices. On the other hand, if the employer is measuring his own gains on the basis of a fair cost for service, including his risks, it is reasonable to apply the same principle to the wage. The

standard of living of the wage-earner on the one hand, and the standard of living of the consumer on the other, may then form the two chief factors in a fair wage. The employer's profit or manager's salary will vary with the risk and responsibility. The standard of living of the successful employer is so different from that of either the workman or the average consumer, that no adjustment on this basis as between employer and workman is practicable.

Profiteering invites strikes

A striking illustration of the statement that when the employer is governed solely by "what you can get" the workman feels justified in demanding the same, and that when the employer is seeking a reasonable return for service the workman will be willing to consider the same principle, is seen in the labor problems as affected by the war. When manufacturers have appeared to be making extraordinary profits out of the needs of the country, that is by "profiteering," workmen have been continually discontented and disposed to strike for as high wages as they can get. When it has appeared that by special war taxes or by regulating prices the government has restricted profits, workmen have been more willing to do their bit. In ordinary times, however, the share which the wage-earner will receive as compared with the share which the employer will receive, is determined largely by competition. In order to understand more fully what is a fair price or a fair wage, we must therefore consider competition.

CHAPTER XXVII

FAIR COMPETITION

“UNFAIR methods of competition in commerce are hereby declared unlawful”—so declares the Federal Trade Commission Act approved September 26, 1914. It asserts in a public and impressive way what the courts have held from time to time when certain practices have been brought to their notice. It expresses the conviction of the American people that unfairness in business is not merely a mean practice which must be frowned upon by public opinion, but also an illegal practice which must be restrained by law, in so far as law can restrain it.

Unfair
competition is
unlawful

But before taking up the question as to what kinds of competition are regarded as fair, and what kinds are held to be unfair and unlawful, we may well raise the broader question, Is any kind of competition a good thing? Some hold that competition is the life of trade; others hold just as emphatically that it is a poor method at best, and a positively bad method at its worst. Few questions are more sharply debated. And it is not merely a question of debate. It is a question of the policy of the government. The Sherman Anti-trust Law, so-called, aims to preserve competition and prevent monopoly. It forbids combination in restraint of trade. As interpreted by the Supreme Court, this does not forbid every conceivable interference with competition. It probably would not forbid two

The
Sherman
Law

grocery stores from combining into one larger store, although this might slightly lessen competition. It does, however, forbid two railroads which are natural competitors from combining into one. Thus in the "Northern Securities" case the Northern Pacific and the Great Northern Railroads, which extend west from Minneapolis to the Pacific and which attempted to combine were forbidden to do so. The Standard Oil Company and the American Tobacco Company were both held by the court to be "in restraint of trade," and were ordered to dissolve in order that there might be free competition between oil companies, and between tobacco companies. The American Telephone and Telegraph Company had obtained practically a controlling interest in the Western Union Telegraph Company. Other telegraph companies and other telephone companies objected and the government induced the telephone company to give up its control of the Western Union. During the first years of the century numerous great combinations were formed which eliminated competition. When it was proposed to dissolve these one of the bankers who had been most active in organizing them said, "You can't unscramble eggs." The courts during the past few years have been steadily unscrambling the eggs. Is this a good policy or is it a mistake?

Why not monopoly?

Two motives led to the passing of the Sherman Law. The first was the desire to keep prices low to the consumer. Monopoly is supposed to raise prices while competition is supposed to make them lower. If there are two groceries each anxious to sell me sugar, it is natural to suppose that the price will be less than where there is only one grocery from which I can buy. The other motive was to meet the complaint against

monopoly which comes from the small dealers who cannot compete with the great combination and are driven out of business. Both of these arguments for preserving competition are economic.

There are also economic arguments against competition. If you buy a piece of soap for ten cents you probably pay about five cents for the soap and five cents for the expense of being persuaded to buy this particular kind of soap rather than some other kind. A school-book publisher says that this is about the same with school-books. About half the price of the book goes to pay for the book while the other half goes to pay for getting one book used rather than another. This is one of the wastes of competition. One of the most striking wastes due to competition in a city is one which affects seriously the farmer producers as well as the city consumer. In large cities milk sells for from ten to thirteen cents a quart. The farmer gets about half of this. The rest goes to the distributor and the railway, but chiefly to the distributor. If one company distributed all the milk for the city it is easy to see that there would be great saving. As it is now five or ten or more milkmen drive over the same street, climb the same stairs, and so the buyer pays not only for the time of his own milkman but in a sense for the wasted time of all the others. Think of having ten letter-carriers from different express companies delivering mail to the same house. Does any one suppose that a letter could be carried for two cents in that case? If one company should deliver all the milk, the consumer might pay less for milk and farmers receive more.

Still a different objection against competition is presented in the case of telephones. The very object

Wastes
in com-
petition

Where
competition is
bad

of a telephone is that I shall be able to talk with everybody. If there are two or five telephone systems in the city one of two results must occur. Either all subscribers are connected with all the different systems, or else some are on one system and some on another. In the first case the public pays for the useless expense of two or five instruments and systems instead of one; in the second case subscribers to one system cannot talk with those of another system.

In the case of gas companies and street railway companies it is now generally recognized that competition is an absurd plan.

Competition as
selecting
the best

There is another set of arguments for and against competition. It is claimed for competition that this is a way of selecting the best in everything. If we have a number of trees competing in a forest, the strongest will shoot up, will shade the rest, and finally will produce the straightest and largest timber. So among animals: competition among deer favors the swiftest runners, among tigers the strongest leapers. It also favors those animals which take best care of their young. In short it is claimed that competition is a method of nature and that it is unwise to interfere with it. In human life particularly we have to have leaders in science and government; we need expert managers of business. How are we to secure these? Must there not be some trying out process? Is not every inventor competing with others to place on the market the great discoveries by which our life is made more comfortable and richer? Is not every election campaign a sort of competition between the political parties and between the leaders for popular approval?

On the other hand, objections to this defense of competition are brought on moral grounds. When I

compete with another, I want not only to win for myself but to defeat the other man. Surely, it may be urged, this is not in accordance with the Golden Rule. In business, particularly, to defeat the other man means not merely to win a momentary honor as in a race, it may mean ruining the other man permanently. It may mean hardship for his family. In industry it may mean taking away the other man's job. Granted that competition is the rule among tigers it doesn't follow that it ought to be the rule among men. It may produce a very good tiger but a very bad man. Co-operation instead of competition is, it is claimed, the great method of progress. The great superiority of human beings over animals comes largely from the fact that by the use of language they can understand each other better and coöperate. Government is a great form of coöperation. It is better to be helping your neighbor than to be seeking to defeat him. And in the long run both you and your neighbor will be better off. Competition is the method of war. Coöperation is the true method of peace.

Moral
objection
to com-
petition

If we look more carefully at some of the arguments which we have just recited, we may find that neither side is wholly in the right. It may be that competition is a good method in some cases and not in others. First we consider more carefully the economic side of competition. Does competition give us lower prices?

If we take the case of the grocery stores which we have referred to we can see that the result is not entirely sure. If there are customers enough to support two grocery stores and if some of these customers are watching prices so as to take advantage of any reduction made by one of the stores, it is safe to say

Two
groceries
or one

that the stores will compete for these careful buyers and that this competition will keep prices from going extremely high. But we might easily suppose that the two grocery stores were really keeping up such needless expenses as two bookkeepers, two cashiers, two delivery wagons, and two buyers when one in each of these departments would be sufficient for all the business done by both stores. We might further suppose that a very intelligent grocer who should combine the two stores might see that by lowering the price on certain kinds of goods, such as fruits or fresh vegetables, many persons who had not before bought these would find it possible to buy them. Under such conditions the monopoly might give lower prices than competition. So if there are two factories making woolen cloth each manufacturer will aim to improve his machinery, if it will help him to make his cloth at a cheaper rate and so increase his profit. If he finds a more economical method, he is likely to reduce his price just a little in order to sell his cloth. On the other hand, if a man has a patent upon some important part of the cloth-making process, or if he has a monopoly of the dye used for a certain color, he is not so strongly pressed to reduce his price or to find a better way of making the cloth. But as with the two grocery stores it is quite possible that the two factories have many unnecessary expenses. Each may maintain a selling office in a large city when one office could easily handle the business of both. Neither of the two competing factories may be able to experiment in improving methods of dyeing, whereas one factory with larger capacity could afford to maintain an expert chemist. And again even if the cloth manufacturer has a monopoly there is a check upon high prices, for if he

If charges too high a price people may not use as much of his cloth. They may either wear their old clothes longer or wear cloth made of cotton instead of from wool. The far-sighted manufacturer may even see a profit in reducing his price if thereby he can induce more persons to buy.

Let us look at competition as affecting wages. If I am a carpenter in a small town where there is very little building, my wages are probably not very high, and work is not very steady. But if, now, several men come to live in the town who decide to build new houses they will be likely to offer me more for my work than I have been getting. It is a good thing for the workman to have several competing for his services. He can go to the one that offers better wages and better conditions and more steady employment.

Suppose, on the other hand, that you are one of the men who wishes to build. If I am the only man that you can hire I may be exorbitant and charge you a high price. Further, I may conclude that if you have to hire me anyway, there is no need of my working very rapidly. I may even think that I will make the job last longer by not working too fast. Under the circumstances you would be glad to have another carpenter move into town so that you might have some choice. Whichever one of us you hired would be likely to be more efficient if he knew that the other would compete for a chance to build the next house.

If competition between employers tends to raise the wages for workmen, and competition between workmen tends to reduce prices, it might seem that these two tendencies would just balance and leave neither side better off. It is clear, however, that competition tends

Competition and wages

to *steady* prices. It prevents a workman from taking advantage of his being the only workman, or an employer taking advantage of his being the only employer. But there is also another point to be considered.

Competition
stimulates
invention

Suppose that I as the carpenter take the contract to build the house. If there is no one else competing I am very likely to use the same tools and the same methods which I have always used. But suppose I fear that the other carpenter may be willing to work for less wages and so cut under the price at which I want to work. The first and also the least intelligent plan for me will be to set such a price that I shall receive less for my work than I have received before. But isn't there a better plan, I may ask? If I can invent a new tool that will bore holes or drive nails or turn screws faster than the old way; if I can dig the cellar with a steam shovel instead of by hand; if I can bring the lumber by water instead of by rail, it may be that I can save enough to obtain the contract and yet not reduce my wages. In so far as competition stimulates men to use their wits and devise new machinery or simpler plans for marketing their goods, it is clear that it is a good thing for all. The great inventions of the world have not always been called out by competition, for some inventors would work away just the same whether any one else were competing with them or not. But it is probable that most of our smaller inventions, as well as many of the great ones, have been called out by competition. We may think of this aspect of competition as really a competition with nature. Man is trying to find out the puzzles which nature has set for him. Every match that he wins with nature means that nature will work for him. Emerson bids us "hitch

your wagon to a star." Every invention is really some device for doing this. In so far as competition sharpens our wits and so enables us to set nature at work for us, to lift the steel beams that go into bridges and buildings, to saw our lumber by water power instead of by hand, to carry our loads by steam, to talk by telephone with persons all about us at various distances instead of traveling to see them—in so far as competition stimulates progress in these respects it is good.

There is very little complaint against the kind of competition we have just described. I do not complain of the man who can run faster than I or work more efficiently or invent a device for doing a task more economically. As a manufacturer good-naturedly remarked, "When the other fellow is selling cloth cheaper than you, you generally find that he has found out something which you don't know." The only serious complaint comes from the workmen who are temporarily thrown out of employment by the invention of a new machine or from dealers who are thrown out of business by introduction of more economical methods. There is doubtless a real misfortune to these men and society ought not to compel them to bear all the costs of progress alone. Nevertheless no one would wish to go back to the time when there were no machines.

Unfair competition
hinders progress

CHAPTER XXVIII

UNFAIR COMPETITION

BUT unfortunately competition does not stop inventing more efficient devices or with prevailing exorbitant prices. It is a weapon as as a tool. It is used to kill off the other man and merely to do the work more effectively. Then *unfair* competition as well as fair competition. Let us go back to the carpenter. If instead of inventing new tool by which I can do the work better I begin plan how I can prevent the other man from succeeding. I can probably think of a great many dirty tricks. I may know that he will have to borrow some money from the bank in order to buy the lumber. If I am a director in the bank or if I have influence with someone who is, I may prevent my rival from borrowing money; or I may persuade the lumber dealer not to ship him his lumber promptly; or I may induce the railroad to delay the lumber consigned to him; or I may agree to build the house at so ridiculously low a price as to drive him out of town, and then charge enough more on later houses to make up my loss on this. These are not imaginary cases. Practices like these have been not uncommon in business. It is easy to see that such competition is not really helping progress at all. It is really injuring the public. It is not merely unfair to the competitor, it is stupid and hurtful to the general welfare. It is against this kind

of competition that President Wilson has said, in *The New Freedom*:

"There must be no squeezing out of the beginner, no crippling his credit; no discrimination against retailers who buy from a rival; no holding back of raw materials from him; no secret arrangements against him. All the fair competition you choose, but no unfair competition of any kind."

Many of the great trusts have sought to kill off their competitors by these and other similar means. Sometimes they have merely bought the business of competitors at a high figure. It is evident that a large industry can often produce more economically than a small one; but many of our great trusts have not been satisfied with the gains that could be obtained in this way. They have preferred to pay extravagant prices, if need be, to get rid of competition and then to depend upon monopoly prices to secure a profit. In this way in the words of President Wilson, "A trust does not bring efficiency to business; it buys efficiency out of business."

As a result of the discussions of fair and unfair competition and of the various suits in courts by which persons or firms who have thought themselves unfairly treated have sought to have their rivals restrained from unfair acts, Congress has recently passed the law already referred to, called the "Federal Trade Commission Act." The important section, for our purpose, begins:

Sec. 5. That unfair methods of competition in commerce are hereby declared unlawful.

The commission is hereby empowered and directed to prevent persons, partnerships or corporations, except banks, and common carriers subject to the acts to regulate com-

Federal
Trade
Commis-
sion Act

merce, from using unfair methods of competition in commerce.

Clayton
Act for-
bids local
price
cutting

Another law passed very nearly at the same time, called the "Clayton Anti-Trust Act," forbids certain practices which are supposed to lessen competition. It declares it unlawful to discriminate in price between different purchasers "where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly." This refers to certain practices, which certain corporations have followed, of charging a very low price in one town in order to drive out all competition there, while at the same time they made up for this loss by charging a higher price in some other town where there was no competition. A large trust can easily afford to do this, and nothing shows better the difference between the conditions when great corporations are in the field, and the conditions when small traders are dealing. One small trader can hardly afford to sell his goods far below cost for the sake of driving out a rival, unless for a very brief period. A great corporation can do it in one town provided it can charge a high price in some other town and so make up its losses.

What is
unfair
competition?

Referring again to the Federal Trade Commission Law, which declares that "unfair methods of competition in commerce are hereby declared unlawful," we ask, What is meant in this law by unfair competition? The law will have to be enforced by the courts and when the courts are asked to decide what are unfair methods of competition, they probably will be guided in part by the decisions which courts have made in the past. A great many practices have been charged with

being unfair and in the case of some of these practices there is no settled opinion; but many cases have been decided and it is possible to point out some of the leading kinds of unfair competition.

Some of the clearest cases are those in which a rival induces customers to break contracts which they already have made with his competitors. Sometimes fraud or intimidation has been used. A publishing house which intentionally made false statements about the merits of its own and a rival publisher's works for the purpose of inducing the latter's subscribers to break their contracts and purchase books of the former, was declared to be acting unlawfully. An ice company threatened to stop selling to a wholesale company, which it was under contract to supply, unless the latter company would break its contract with a dairy company. The wholesale company yielded, but sued the ice manufacturer and won its case. An association of laundrymen induced other laundries, by offers of money and by threats to ruin their business, to break their contracts with a laundry agent whom they were trying to compel to maintain a scale of prices. It was held that the laundry agent could obtain damages.

Even where no such unlawful means as fraud or violence are used to persuade men to break their contracts, it has sometimes been held that a company has no right to persuade another company to break its contracts with a rival; and again such conduct has sometimes been allowed by the courts.

Inducing employees of a rival company to betray the trade secrets of their employers is a practice which has been forbidden by the courts, especially where the employee stood in a confidential relation so that there was an implied contract on his part to keep the secrets

Inducing
to break
contracts

or betray
secrets

of his employer. Closely similar to the practice of getting trade secrets unfairly is the practice of hiring employees of a rival for the purpose of securing confidential information about his business. It has been decided that an employee has no right to take with him to another competing firm a list of customers which he had with his former employer. Of course if the list of customers were a published list which any company might find and use, the mere fact that a man had used it in working for one firm would not prevent his using it when working for another.

Slander

A kind of competition which has repeatedly been declared unfair is that of attempting to injure a competitor by libel or slander, or by disparaging his goods. To refer to a rival trade journal as a "fake"; to charge a rival press association with stealing news by means of tapped wires; to charge a publisher with having sold the support of his newspaper to corporations for a large sum of money—these are examples of unfair competition. The following have been classed under this head: an agent of a corporation manufacturing ice machines wrote a letter to a firm which had accepted the bid of a rival manufacturer, stating that the latter was a "second-hand dealer"; that it did inferior work; that it used inferior material; that it ran a "scab establishment" and did not have a "mechanic" in the whole establishment, "including the head of the concern." A milk dealer wrote to a shipper advising him to "look out" for a certain rival dealer, "unless you have surety for your goods, as he does not pay his shippers anything." These cases were held by the court to be actionable: that is, cases in which damages might properly be given.

Perhaps the most numerous cases of unfair competition have been those in which one dealer attempts to pass off his goods as those of another. This indeed is the practice to which the term "unfair competition" has been especially applied in this country, while English courts call it "passing off." Minnesota flour, for example, gained a reputation. Certain Chicago grocers used to use this name for flour not made in Minnesota, and were forbidden to do so. W. H. Baker advertised "Baker's Cocoa," and this was held to be unfair competition with the older firm Walter Baker. "Waltham" must not be used by the Columbia Watch Co. to deceive customers, even though the watches are actually made in the town of Waltham. The name Webster's Dictionaries must not be used in a way to lead customers.

Patented articles seem to be a source of much trouble. The owner of the patent on an article may find that some one is selling an article that appears to be an infringement upon his patent. In such a case the owner has a right to sue the infringer; he has also a right to give notice to any one using the infringing article that he will sue to recover damages. But some owners of patents have gone further; they have threatened the users of articles with suits, when they had in reality no intention of bringing suits, but were merely trying to make the users afraid to buy of their competitors. No one likes to take the risk of being sued for damages, and hence this method of intimidation is often effective. As the court says of such a case:

' If such a campaign be skilfully conducted for a series of years, as seems to have been the case here, the competitor is helpless. His orders are countermanded, old customers desert him through fear of litigation, or demand

Palming off other goods

Threats of law-suits

bond of indemnity as a condition for placing orders. His business is melting away."

We come now to cases in which the unfairness does not come from the use of fraud or threats but from the use of the great power of combination. This power may be used by an association or by a great trust. It has not always been accepted that what may be fair for one man or firm to do alone may not be fair for a combination of men to do.

Blacklist-
ing and
boycot-
ting

Notice first the method by which an association may try to gain some advantage by agreeing to cut off competitors from getting supplies or markets. Retailers do not like mail order houses. They cannot prevent people from buying from such houses, but they have tried to prevent the mail order houses from getting supplies with which to fill orders. They formed associations and agreed not to buy from wholesalers and jobbers who sell to mail order houses. This was held by a court to be not unlawful. But, on the other hand, a Plumbers' Association which refused to sell supplies to a plumber because he was not a member of the association was ordered not to refuse to sell the plumber such supplies. Blacklisting or boycotting is another form of bringing combined pressure to bear. Several firms may form an association and adopt rules. They may agree to blacklist any one who breaks these rules. For example, retail lumber dealers wished to prevent wholesale dealers from selling directly to consumers. They formed an association and sent reports to the members in which they printed names of wholesalers who were soliciting trade or selling directly to consumers. Such dealers were to be treated as "unfair." The Supreme Court of the United States held that such

blacklists were unlawful. Any one dealer might, if he pleased, refuse to trade with such a wholesaler, but

"An act harmless when done by one may become a public wrong when done by many acting in concert, for it then takes on the form of a conspiracy; and may be prohibited or punished, if the result be hurtful to the public, or to the individual against whom the concerted action is directed."

The important thing for us to notice here is that the retail dealers thought it "unfair" for the wholesalers to take away their trade by selling at retail to the consumers. But the court held that for the retailers to combine and blacklist a wholesaler was going too far in the other direction. Closely allied to blacklisting and boycotting is the attempt sometimes made to prevent a rival from borrowing money at a bank.

Great combinations of capital in the form of trusts have likewise used their power in ways which the courts now condemn as unfair. We have already referred to the practice of charging lower prices in one locality in order to drive out competitors, and at the same time keeping up high rates in other localities. The practice of cutting prices on some one article, called a "fighting brand," is similar in principle. A more conspicuous use of power has been that of securing special rates or rebates from railroads. When the same group of owners control both a railroad and coal or iron mines, they can charge their competitors high freight rates. When a trust does not directly own a railroad it may secure such special rates or rebates as to crush rivals. The conspicuous unfairness in this case lies in the fact that a railroad is in an important sense a public affair. It has been granted special rights by the public and

Rebates

so ought to treat all shippers alike—unless in such matters as giving a lower rate for a full carload.

Various other devices too numerous to mention in detail have at one time or another been employed in competition. Nearly all cases of unfair competition come under the general heads of deception, or of intimidation, or of the use of the great power of a trust or combination to crush by rebates, local price cutting, "fighting brands," blacklisting, or boycotting. Of all these practices we are coming to think that they do not promote progress, but hinder it. They do not bring out efficiency, but choke it.

Labor's
view of
unfair
competition

From the point of view of labor unions, the question of fair and unfair competition is of vital importance.

We saw that competition is one of the ways of deciding a fair wage. One of the two principles put forward in discussing that question is: A fair wage is what you can get by bargaining, and what you can get will be determined partly by competition. What competition is fair, and what is unfair? Labor unions particularly have had much to say about "unfair" shops, or "unfair" employers. And they have an unpleasant word, "scab," which they apply to other workmen whom they regard as unfair competitors.

In order to understand the position of the unions we must remember three things. First, if a fair wage is to be reached by bargaining the laborer and employer must be equal in bargaining power. Second, since the employer is now usually a corporation and since a corporation is a union of great strength, a single laborer is at a great disadvantage in making a bargain with such an employer. Third, unless in times of excep-

tional scarcity of labor, a union of laborers is a necessity if the bargain is to be made on even terms.

The term "unfair" is used in two somewhat different senses, although they tend to overlap. The two senses correspond roughly to the two principles for determining a fair wage, the cost principle, based on the worker's standard of living, and utility principle, based on what he can get from employers.

If we say a fair wage ought to enable a worker to live in health and decency, to have proper food, clothing, and housing, to maintain a house, and be a good citizen, then any competition that tends to prevent this standard of living may be called unfair. Some workers do not have to support a family; some do not even have to support themselves, but live with parents. Such workers are frequently willing to work for low wages. Children can sometimes be substituted for men. All such competition the laboring man believes to be unfair. And another great source of unfair competition is immigration, for most of the immigrants who in recent years have come to America have at first been willing to accept a lower wage than those who have lived here longer. They have been willing to live in crowded rooms, to take boarders, to have women and children help out the family income. In some cases they expect to save money and return to their own countries; in others they are willing to live under hard conditions for awhile in the hope of bettering themselves. But their competition has been hard to meet. Unions have therefore aimed to get protection by law from the competition of child labor, and from that of immigration. Nearly all the states have limited child labor, although the age usually set as the limit—fourteen years—is believed by many to be too low. In 1916 Congress took

(1) Based
on stan-
dards of
living

the further step of excluding from interstate commerce goods made by child labor. The Immigration Act passed by Congress in 1917, which excludes from the country persons over sixteen years of age who cannot read in some language, marks success of the labor unions in limiting immigration, and thus shutting out what they regard as unfair competition. Many who might agree that immigration has been too rapid hold that this particular test of literacy is not a good one, since ability to read is not a test of good character or citizenship in men coming from countries where there is little opportunity to learn.

(2) Based
on main-
taining
the union

The other test of unfair competition is based on the second basis for a fair wage—what the worker can get by bargaining. If workers rely upon unions in order to get fair terms then they naturally want all workers to belong to the union and to stand together for the union scale of prices. For if there are non-union men who are willing to cut under the union scale it is difficult to maintain this scale. As a last resort, unions rely upon a strike, but this will not be effective unless all or a large proportion of the workers in the particular shop or trade go out, and unless it is difficult for the employer to fill their places. Hence unions sometimes demand that only union men shall be employed, and refuse to work in a shop with non-union men. They call a shop in which non-union men are employed, unfair, and as regards the non-union men one of two things is true in the opinion of the unionist: either the non-union man cuts under the scale, or he gets the union wage and the other advantages of shorter hours, better workrooms, and more healthful conditions which the union has secured. If he cuts under he is unfair because he tends to pull down others; if he gets

all the advantages gained by the union he is unfair because he does not take his part in helping those who make these advantages possible. It has cost hard struggles and many sacrifices to obtain some of the improved conditions now enjoyed by the more highly unionized trades. Why should not all who share in these advantages share also in the burden?

The law has upheld the unions in certain respects. **Boycotting** It recognizes their right to refuse to work with non-union men and thus to bring pressure on the employer to discharge such men. But it has not usually upheld the unions when they have tried to bring further pressure upon "unfair" employers by boycotting them. In this respect it has treated association of laborers on the same principle as associations of business men who have combined to boycott or blacklist. It is held by some that what one man may do in refusing to patronize a dealer is lawful for any number of men to do. It is held by others that a combination of a number of persons to do one act may be a conspiracy and unlawful. It is easy to see how like this is to the questions raised as to associations of business men. The tendency in dealing with great combination of business firms is to hold that the power of combinations makes a difference between an act done by a single man and an act done by an association. Thus far the labor unions have been usually the "under dog." Society has been willing to allow them to defend themselves, and to grant to them, as to the farmers, the privilege of combining. But it is easy to imagine that if the great railroads of the country were tied up by a strike which would bring suffering and starvation to cities by cutting off supplies of coal and food, the nation would be obliged in self-defense either to take over the railroads

and operate them, or to make such a concerted labor action unlawful, or to adopt some other measure for self-defense. Labor unionists themselves claim that the boycott is used only as an exceptional and not an ordinary means of defense against unfair competition. The report of the Boycott Committee of the Federation of Labor in 1909 says:

"If in instances where the boycott is now necessary, the right kind of publicity could be had, the boycott would be unnecessary, for an aroused public conscience would speedily compel the manufacturing and the selling malefactor to put his establishment in industrial order or to go out of business. . . . We say that when your cause is just and every other remedy has been employed without result, boycott."

It is to be hoped that as the organizations of labor become strong and able to treat on equal terms with employers they will find it possible to make fair bargains and secure fair conditions without resorting to this device.

Regulated monopoly

Does competition when fair always make for efficiency, or is coöperation in certain kinds of industry a better method? We have already seen that there are certain cases where competition is intolerable. Street railways, gas companies, electric light companies, cannot be allowed to compete in a single city. The only method here is to allow one company the right of operating and then to regulate its prices by law—unless the city itself operates the railway or lighting plant. With railways and telephone companies, the case is similar. It may seem plausible that if a railway between two cities is charging too high a price the

best method to reduce prices is to build a competing road. But if there is really business enough for but one road, it is evident that some one will lose if a second is built. Experience has shown over and over that the public in the long run has to pay higher, on account of the second road. Sometimes one road has bought out the other, sometimes there is a kind of truce reached between the two by which both keep going. But in some form or other the public pays a higher price for the service or else the railway owners undergo serious loss. To try competition as a remedy for too high prices in such cases is as stupid as to sink ships in the sea, in order to promote shipbuilding, or to burn buildings in order to provide work for carpenters. It does provide work for some undoubtedly, but it is a wasteful method. Coöperation is undoubtedly better than competition in certain cases, for it may eliminate many wastes. The war has shown the need of co-ordinating our railways. Competition has proved inefficient.

Fruit growers in the western part of the United States have practiced coöperation to great advantage. By packing their fruit and marketing it under a co-operative plan they save expense and protect the reputation of their brand. In England, as already stated, the trade-unions manage great coöperative stores and secure their goods much cheaper. In the matter of wages, trade-unions are coöperative. An individual workman might often gain better wages by competing against other workmen. But experience shows that this is often only a temporary advantage. There is no doubt that, in improvement of hours of labor, conditions of work, protection from dangerous machinery, workingmen have gained more by coöoperating with each

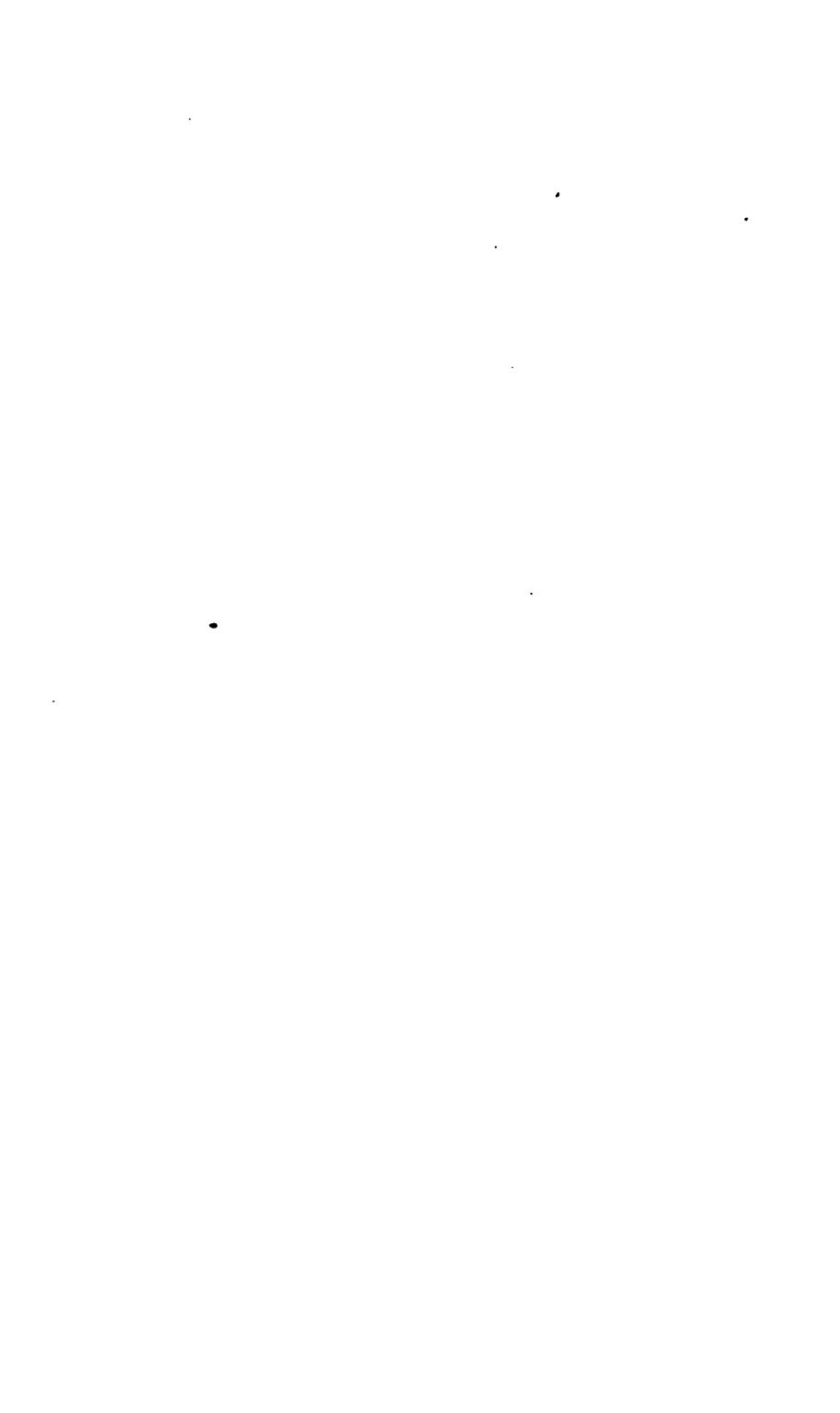
Competition
and
Coöperation

other, than they could have gained by competing against each other.

In conclusion, then, it appears that fair competition which seeks to devise better methods, which aims at cheaper production not through cutting wages but through invention and improvement, is a social gain. Unfair competition which seeks to win by fouling the competitor is a social loss as well as a mean practice. Finally even fair competition in certain kinds of business is a wasteful method in comparison with coöperation.

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PART III
CITY AND COUNTRY



CHAPTER XXIX

CONDITIONS AND INFLUENCES IN THE CITY

IN the United States the early settlers lived almost entirely upon farms. So long as there was an abundance of rich soil to be had almost free, there was a strong force at work to keep country population growing rapidly. But the Industrial Revolution which has made such a great change in business and industry has changed our home life also. Railroads and factories have made the modern city. There were, of course, cities before the railroad and the factory but the proportion of people living in cities has steadily increased, and today in many parts of the United States all the growth is in the cities; the country population remains nearly stationary. In England, it was estimated in 1770 that half the population was urban. The figures for recent years show that now far more than half live in cities.

Rapid
growth
of cities

| | 1861 | 1871 | 1881 | 1891 | 1901 * | 1911 * | In Eng- |
|-------------|------|------|------|------|--------|--------|---------|
| Urban | 62.3 | 64.8 | 66.6 | 71.7 | 77 | 78 | land |
| Rural | 37.7 | 35.2 | 33.4 | 28.3 | 23 | 22 | |

For the German Empire the figures since 1871 show similar growth of cities. The following table gives the percentage living in cities:

| 1871 | 1875 | 1880 | 1885 | 1890 | 1895 | 1900 | 1905 | 1910 | In Ger- |
|------|------|------|------|------|------|------|------|------|---------|
| 36 | 39 | 41 | 44 | 47 | 50 | 54 | 57 | 60.1 | many |

* Figures for 1901 and 1911 are for England and Wales taken together.

In the United States the change has not gone so far as in Europe, but during the past thirty years there has been a far greater growth in the cities than in the country population. The figures given by the Census of 1910 are as follows:

| In the United States | | 1800 | 1890 | 1900 | 1910 |
|----------------------------|-------------|------|------|------|------|
| | Urban | 29.5 | 36.1 | 40.5 | 46.3 |
| | Rural | 70.5 | 63.9 | 59.5 | 53.7 |

Ancient city as a place for defense, trade, religion

The modern city has not been planned as a place to live in, to say nothing of being a place in which to bring up children. It has, so far as it has been planned at all, been primarily a market place and a manufactory. Ancient cities were not only places of trade and industry but places for defense against hostile attack. Tyre was built on a rocky island. Jerusalem, Rome, Athens, in the old world, Edinburgh, Nuremberg, Heidelberg, and many another mediæval city had each a hill or rocky height on which stood a castle that served at once to defend the city and to overawe the trading people and workmen who dwelt around its base. In the center of the city, surrounded perhaps by the open market place, rose the other great building of the mediæval city, the cathedral. Defense and religion, along with trade, were the great factors in the life and growth of the older cities.

Modern city as market and factory

When we visit a modern city the great buildings which catch the eye are office buildings, banks, retail and wholesale stores. These buildings, rising twenty stories and sometimes carrying towers of forty stories, often contain each enough workers to make a small city. These occupy the center of the city. They are substantially, and often luxuriously, built, whereas the factories located a little farther from the center are

CONDITION AND INFLUENCES IN CITY 301

usually inexpensive, with no pretense to beauty, and often are indescribably bad. The reason for the difference is plain. It is not because people maliciously set out to make one set of buildings grim, forbidding, and even hideous, and the other set attractive or even palatial. The reason is chiefly one of economics. The cloth for our clothing may be woven in very ugly factories; it may be made up into garments in ill-ventilated and wretched tenements or cellars. Millinery may be manufactured in unsafe, old buildings which are nothing but fire-traps. Steel and iron may be made in mills which, by their smoke and gases, are a blight upon all the neighborhood. The buyers do not need to go to these places, hence there is no compulsion to make the factories attractive. When we buy our clothing or our millinery, when we go to a bank to do business, or when we take a train to make a journey, we like costly and elegant surroundings: hence it pays to build shops that are fine and attractive; it pays to build offices and banks which make an impression of great solidity and wealth; it pays to build railway stations which give the traveler an impression of luxury and safety.

The people who buy and sell and work must, of course, live somewhere, and moreover the city is a great market not only for the goods made in the factories or brought in by railways, but also for brains and muscle. The laborer who wants work, the country boy, anxious for a career, the country girl, for whom there is little opportunity for employment at home, all crowd to the city, and all must find shelter, if not homes.

The homes of the city are at first placed near the
shops and factories, but as land near the center is
needed for business, those who can afford it build homes

The
homes of
the city

farther and farther away. Nearly every city has large districts just on the border of the business area where homes are gradually being crowded out. It is frequently uncertain for a time whether it will be more profitable to build stores or factories in these border regions. This uncertainty makes owners unwilling to expend any money in repairs. The whole district is apt to degenerate in appearance. Sometimes it is given up to vice. Frequently houses built for single residences are remodeled into tenements for several families. In other cases where the early houses were cottages, these are moved into the backyards and apartment buildings are erected on the street, thus covering the whole of the lot. Farther out toward the city limits or still farther into the suburbs go those who can afford the added expense and time to ride to and from their work. Figures gathered in New York recently show that those who work long hours, as do most of the workers in factories, live near their places of work. Their wages are usually small and they wish to save carfare. Clerks, employers, and professional people, on the other hand, have shorter hours and better remuneration, and can live farther from their business. A large proportion of these classes in Boston live in suburbs. Multitudes of New York business men live in Connecticut and New Jersey or far out on Long Island.

Social
classes in
the city

We can see at once that the city is always classifying its people into groups in their homes as well as in their places of business. The poor live near the center in old buildings, or near factories located a little farther out. The more comfortably situated and the well-to-do may live in certain districts within the city, but tend continually to move out as far as steam rail-

CONDITION AND INFLUENCES IN CITY 303

ways or automobiles will take them in perhaps an hour's ride.

Since men spend about half their time in their homes and since women and children usually spend much more than this proportion, it would seem that homes ought to be well planned. In every great city there are certain districts in which homes are attractive, but there are also other great districts in which homes are neither healthful nor decent, to say nothing of being attractive. The words, "a factory town," call up anything but a pleasant picture. If any one wishes to see the most depressing sights he does not need to go to any "heathen" country. He can take a walk in the factory district of almost any large city. Some of the chief types of bad housing are:

Types
of bad
housing

- (1) Overcrowding of buildings upon the land with insufficient room for light, ventilation, and play spaces.
- (2) Overcrowding of rooms with people, dangerous not only to health but to privacy, to family life, and to morals.
- (3) Unsafe dwellings, liable to burn easily.
- (4) Dilapidated dwellings, depressing in influence upon the ambition, habits, and morals of children growing up in them.
- (5) Ugly, monotonous, and ill-arranged dwellings, which have no individuality and nothing about them to suggest a home rather than a square box in a row of other boxes, no provision for gardens or flowers.
- (6) Underground and attic rooms.

New York is by far the most crowded of our cities. Mr. Veiller says in his *Housing Reform*:

"The conditions in New York are without parallel in Over-the civilized world. In no city of Europe, not in Naples crowding

nor in Rome, neither in London nor in Paris, neither in Berlin, Vienna, nor Buda Pesth, not in Constantinople nor in St. Petersburg, not in ancient Edinburgh nor in modern Glasgow, not in heathen Canton nor Bombay are to be found such conditions as prevail in modern, enlightened, twentieth century, Christian New York.

"In no other city is the mass of the working population housed as in New York, in tall tenement houses, extending up into the air fifty or sixty feet, stretching for miles in every direction as far as the eye can reach. In no other city are there the same appalling conditions with regard to lack of light and air in the homes of the poor. In no other city is there so great congestion and overcrowding. In no other city do the poor so suffer from excessive rents; in no city are the evils of modern life so varied, nowhere are the problems so difficult of solution."

Overcrowding in rooms does not show so conspicuously from the outside but it may be just as injurious to health and morals. Decent looking buildings may contain families crowded into small apartments, keeping lodgers in order to reduce the family expenses. The health of families living in dark, unventilated, or crowded rooms is bound to suffer. In one instance in New York, twenty-four cases of tuberculosis in a single house were reported in five years. A family might as well commit suicide as to attempt to live in such a dwelling. More telling than bare statistics are some actual cases which investigators find. For example:-

"In a seven-room basement apartment in which an Italian railroad laborer lived with his wife and two children were fourteen men lodgers, six of whom slept in one poorly ventilated room." "One Italian family of three adults and three children slept in a room also used as their parlor, which had only 718 cubic feet of air." (If this room were seven feet high, the floor space would be about 10 by 10.) "In one apartment three adults and three

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children were sleeping in a room having less than 350 cubic feet of air." *

The causes of bad housing in cities are many. First of all, is the want of any plan. At the beginning it did not seem to occur to any one that provision in a city ought to be made for large, open spaces, for school grounds, for play, and for community purposes. Factories and homes stood close together. Smoke and noxious gases are frequently so prevalent in such neighborhoods that it is impossible for grass or vegetables to grow. No thought was given as to whether children could grow. In our larger cities the best we can do now is to repair blunders at great expense. New cities that are growing can take warning and plan for the future.

Causes
of bad
housing

(1) Want
of plan

A second cause of bad housing is poverty. Many in the large cities are so poor that they are eager to find any cheap tenement no matter how wretched it is. Immigrants are likely to receive low wages, and conditions among them are especially bad. Immigration reports show that in 5,825 families investigated in large cities, the average annual earning of the male head of the family among the foreign born was \$458. This would be about \$9 a week. In three-fourths of the foreign born families investigated in seven cities, the husband earned less than \$600; in forty-five per cent. he earns less than \$400. In many of these families, of course, the mother and children help out the family income, but it is difficult to avoid the conclusion that at present in all our large cities many from sheer poverty cannot live decently. In some way wages must be raised before the children in those families will have a fair chance.

(2) Pov-
erty

* Abbott and Breckinridge—Chicago Housing Conditions.

(3) Ignorance

A third cause of bad housing is ignorance. Among families having about the same income there are great differences. Filth and general untidiness are not so much a matter of expense as of standards. Some who have in the old world lived in the country do not realize the necessity of different standards in a crowded city. Some by planting flowers and shrubs beautify bare and ugly places with little expense. Architects and builders have also suffered from ignorance. They have been content to follow old plans without finding out the better ways.

Ideas for
better
housing

What is to be done? What are we to aim at and how can we go about the task of getting what we need?

Something can be done by laws restricting the height of tenements and compelling provisions for a certain amount of light and air. This prevents some of the worst evils, but it does not go very far.

A decided step beyond this is found in the so-called "zoning system," by which different districts are set apart for business, factories, and residences. New York has recently established this plan. An idea which is attracting great attention at present is that of the garden city and garden suburb. This plans dwellings not merely to give a decent amount of light and air but to provide gardens both for flowers and for vegetables. The improvement in living conditions in certain garden villages in England has been extraordinary. Out of every thousand children born in Birmingham, 331 babies die; out of every thousand born in Bourneville (a garden suburb), only sixty-five die.

Methods
employed

To secure better types of housing four or five different methods have been actually tried: private philanthropy, public regulation under the "police power,"

CONDITION AND INFLUENCES IN CITY 307

public planning and building, coöperative planning and building. The first two of these have been tried in this country. All four are in operation in Europe. It is possible that our constitutions, state or federal, may at present prevent us from attempting the last two, but there is always the possibility of changing a constitution when people are thoroughly convinced that change is necessary.

The important thing is that we should realize that it is just as necessary to coöperate in planning and building homes as it is to coöperate in business and industry. It is just as important to take advantage of science and art for the best method of planning our cities and housing as for the most efficient methods of making steel. Finally, we can no more trust all this to individuals without any public control than we can trust the management of railroads and other businesses which are "affected with a public interest." We are every one of us concerned in the conditions under which the members of the community live. In a democracy more than in any other form of government it is important that every member of the community should have opportunities for health, comfort, and decency. To change the housing of our cities is one of the great tasks of our democracy which ought not to be postponed.

The city is not merely a place of trade. It is a place of recreation and amusement. Indeed, the real business of living must include proper recreation as well as work. The monotonous character of much of our industry seems to create a special demand for excitement when the day's work is done. Not only the young but the older are eager for some amusement.

The city
as a place
of rec-
reation

Many women in large cities have few household cares and seek amusement to keep from being bored. A great stream of visitors is constantly coming to the city for amusement.

Opportunities for wholesome recreation are offered by parks and playgrounds and public libraries, but these meet only a small part of the demand. Private enterprise attempts to meet the larger demand by the theaters, concert halls, moving picture shows, and dance halls. Some entertainments present good plays and good amusements, some endeavor to attract by what is merely exciting even if it is not positively bad. Dance halls particularly have been subject to criticism. Whatever one thinks about dancing it is evident that it is liable to certain special evils when it is managed for gain. Intoxicating liquors are often sold to add to the excitement of the dance. It is not surprising that many who go to dance halls seeking innocent enjoyment, fall into evil. All this is but an additional illustration of the defect which we noticed under housing. We have not planned for proper recreation in cities, especially for the young. We have left it all to private interest. It is nearly as important to provide proper opportunities for play and recreation as to provide for education.

The
health of
the city

The health of the modern city is on the whole improving. Until the beginning of the nineteenth century no city could keep up its numbers from its own births. People died in cities faster than they were born. Owing to the progress of sanitation and the increase in medical skill and hospital facilities, deaths from many diseases have been greatly reduced. Contagious diseases have been guarded against by quarantine. Infant diseases due to impure milk or other unfit foods have been

CONDITION AND INFLUENCES IN CITY 309

greatly checked. Tuberculosis, which is particularly an industrial disease, is the latest disease to show great reduction. The death rate from tuberculosis in the registration area of the United States during the five years 1901-05 was 192.6 per 100,000 of population. in 1910 it was 160.3, in 1911, 158.9. Nevertheless there are other dangers, possibly, that we do not as yet know much about. European countries which enroll all their young men for military service find that the city born have a much larger percentage who are unfit than the country born. We have not as yet had accurate figures in America, but common sense teaches us that a child needs room to grow and room to play, and that the grown person needs at least light, and fresh air, and opportunity for healthful recreation.

The city has more criminals than the country, partly because it affords them a better opportunity with greater secrecy. Whether the city actually makes criminals is not so easily proved. Figures for England show that London in 1894 had 416 offenses per 100,000 as against 155 in the agricultural counties. In this country striking figures are given for the effect of city life upon negroes and upon the second generation of immigrants. They show that the risk of a negro becoming a criminal if he enters factory life in the city is nearly nine times as great as if he stays in the country. As to immigrants,—the foreign born average about the same in crime as the native born. But if we take the second generation—native born of foreign parents—who are especially numerous in cities we find that the city is a dangerous place for them. In Massachusetts this element, native born of foreign parents, furnishes 63% of the criminals, though only 34% of the population. There is no doubt that certain

Crime in
the city

districts of cities are as good schools for crime as Fagin's famous training school of which Dickens tells us in *Oliver Twist*.

The good
and the
evil in
city-life

If, then, we try to strike a balance in a rough way between the good and the bad in city life, we should have to say that the city, like the machine, is a tremendous power. It may make for progress in many lines; it affords great opportunity to the strong, to the efficient, to those of firm character, and to those who love their fellow men and wish to work on a large scale for human betterment. It is a dangerous place for the weak in ability or in character. It is certain to pull down into misery many who might be comfortable in the country, where competition is less keen and unscrupulous. Like the machine, the city is not yet under control. We are only beginning to guess what it is doing. We are barely beginning to take measures to keep the good and check the evil. Nowhere is there greater opportunity for scientific study and for intelligent planning.

CHAPTER XXX

WHAT THE CITY DOES FOR ITS CITIZENS

UNDER this heading we propose to consider not the general influence of the city, but what the city does as a government or corporation. In the eyes of the law cities are "municipal" corporations. They are bodies, that is, by which many unite to do what they cannot do separately.

Summing up the more important services which cities now perform for their citizens and contrasting them with the former days, Frederick Howe writes:

"In earlier days, even the most elementary public functions were performed by the individual. He paved, cleaned, and lighted the street before his door. He was his own constable. Such health protection as he enjoyed was the result of his own vigilance. Education was conducted at home or by the church. The library was a priestly possession as was all learning. His house was his castle, even in the midst of the city, and society offered him little save the administration of justice and protection from foreign foes.

"Today the city protects his life and his property from injury. It safeguards his health in countless ways. It oversees his house construction, and protects him from fire. It cleans and lights his streets, collects his garbage, supplies him with employees through free employment bureaus. It educates his children, supplies them with books, and in many instances with food. It offers him a library, and through the opening of branches almost brings it to his door. It offers nature in the parks; supplies him with opportunities for recreation and pleasure through concerts, lec-

What the
city does
as a cor-
poration

tures, and the like. It maintains a public market; administers justice; supplies nurses, physicians, and hospital service as well as a cemetery for burial. It takes the refuse from his door and brings back water, gas, and frequently heat and power at the same time. It inspects his food, protects his life, and that of his children through public oversight of the conditions of factory labor. It safeguards him from contagious diseases, facilitates communication upon the streets, and in some instances offers opportunities for higher technical and professional education."

The
citizen
cannot
protect
himself

How has it come about that the city does all these services for its dwellers? In most instances it is a clear case of necessity. If the country dweller does not wish to have his house burned down he need only be careful of his own chimney, his lamps, or his matches. It is all in his own hands. If the city dweller exercises the greatest care he is still very liable to have his house burned. The great fire which burned over a large part of the Chicago business district, destroyed such an enormous amount of property and made so many people homeless, was said to have been started by Mrs. O'Leary's cow, which kicked over a lantern. The city dweller may not often be endangered by a cow, but he is frequently and almost constantly endangered by carelessness in any one of a hundred families about him, or because of especially dangerous kinds of manufacture. The only protection from his neighbors is through the city. If the country dweller wants pure water or pure milk he can examine his spring, and if he does not keep a cow himself, he can visit the farm from which his milk comes. The city man's water supply often comes from twenty-five, fifty, or one hundred miles, and the milk supply even farther. The only protection is through the city experts in the water and health departments. If the country house-

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Wife does not keep her dooryard neat and dispose of the household wastes in a healthful way, it is her own fault. In the city she must again depend upon the sewage system and the ash and garbage collection by the city. If these are not properly managed, the housewife is helpless. The country mother can guard her children against contagious diseases. She knows the neighbors and, living in a separate house, can be reasonably sure that her children will not be exposed. The city mother can know nothing about her neighbors; her only protection again is the city health department.

All these tasks which the city performs, Doctor Wilcox in his book, *The American City*, places under the head of "municipal insurance." The city insures us against fire, against violence through its police and its courts, against certain forms of accident by inspection of steam boilers and of buildings, fire-escapes, and elevators, against ill-health, and finally in various forms of public relief it insures against absolute starvation in case of poverty. Some cities also maintain employment agencies to aid those who are out of work in finding positions, although this has not been carried far.

How does the city do all these things? How are they managed? Who is responsible? Where does the money come from and who decides how much shall be spent in one way rather than in another? Broadly speaking it is the city government which in turn acts for the citizens. We might describe the city government and how it works in two different ways. We might begin with the process of voting by which the government is chosen, or if we wanted to begin nearer the beginning we should have to consider first the state government, because the state government prescribes what kind of a

Agencies
of the
city

city government there shall be, and when people shall vote for its officials. Then we might notice how the mayor and council and perhaps other elected officials appoint various boards or heads of departments, and how these manage the work and appoint clerks and laborers for the various kinds of work to be done. Or we might begin at the end and work backwards. That is we might begin with the schoolhouse or the policeman on the street and ask how it or he comes to be there. In actual practice we usually work in this second way. Citizens in the first place decide that they need a fire department, or a policeman, or pure water, and then set about to organize a department of government to attend to these things and finally to choose the men to bring about what is desired. Let us look briefly at certain departments of city government.

The
fire de-
partment

The fire department of the city is likely to be one of the best organized and managed. The risk of a great fire is so tremendous that the "merit system" is seen to be the only proper system. No one would want to have a fire department filled up with men who know nothing about fighting fires, even though they might be very good fellows in other respects. Business men have insisted that the fire department must be kept "free from politics." And besides the work appeals only to brave and active men. The coward and the lazy man prefer something less dangerous. The fire department is usually organized on a somewhat military plan. Its money for salaries and equipment is appropriated by the city council. The chief is likely to be appointed by the mayor, but the mayor and the council do not usually interfere with the direct management. If, then, we want the whole story of the fire department

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can begin with the company stationed at an engine
se and find the chief usually in the City Hall, and
l farther on discover the ultimate power of appoint-
nt in the mayor, and of finance in the council. If
re is anything the matter with the service, we must
to the City Hall to find out the reason.

The police department, if not so picturesque as the The
department, is of very great importance. Most police de-
es devote to it their largest appropriations except
se for schools. The work of the policeman, like that
the fireman, calls for brave and faithful men. In
ne districts of a city the policeman's life is often in-
ger. He must respond to any cry for help regard-
of the odds against him. In one respect his task
like that of the soldier. He is to defend us all
inst violence. The soldier is to protect us against
mies from without; the policeman against enemies
do not carry any flag or wear a uniform, and are
refore much more difficult to deal with. The police-
n also regulates traffic on the streets, helps find chil-
n who are lost, and in general is supposed to give
to those who need it in any emergency.

In view of all these important services it would seem Criticisms
t the policeman should be honored as highly as the of the
man, yet this is not usually the case. The small
is quite likely to regard him as a natural enemy,
l even the ordinary citizen is quite apt to think of
not so much as a friend and protector as rather
epresentative of the unpleasant side of life. There
nuch criticism of the police department in the news-
ers. Occasionally some investigation has brought
shocking facts of corruption and collusion with
ninals. Why should this be? It is fair to assume,

and we are assured by officials, that the men who enter the police force are as brave and honest as the average of men in other occupations. If there is blame it must belong to the system, to the organization and management. Where shall be placed the responsibility?

The policeman has a difficult task

Two principal sources have been pointed out for the defects in our police department. The first is not so much the fault of any one person or even of all those connected with the police system. It is the fault of all of us. We haven't learned yet how to deal with criminals in the best way. The policeman is expected to arrest them. He is expected to be constantly on the watch for suspicious persons. This is a very difficult and trying business. A teacher has to be responsible for good order in the school, but if he had no task except watching for offenders and could do no teaching, he would find life very disagreeable. Our method of dealing with those arrested has been for the most part until recently to place them in jail, bring them before a court, punish them or set them free, without any effort to reform them except by fear of punishment. Of course society has tried in other ways to help unfortunate and even criminal people, but the police and the courts have had simply the task of arresting and punishing. It is unfortunate for any one to be given a work which is not intelligent. Our Juvenile Courts are proceeding on a different plan. They try to save every boy and girl who are brought before them. The Probation officers befriend those under their charge, seek to find positions for them, and to help them to become successful and good citizens. If we could give the policeman more of the constructive and helpful work it would be one great step toward improvement.

The other great source of evil in many cities has

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been the relation of the police to what is known as commercialized vice. There are certain kinds of conduct that seem to injure the persons who engage in them rather than any one else. Gambling is a good example. Love of risk or adventure is very general. It may prompt a man to undertake a great enterprise like seeking the North Pole, or building a railway, or buying wheat in the expectation that it will rise in price. The gambler is in part acting on this same love of adventure. He does not think primarily of injuring some one else. Nevertheless gambling is found to be so injurious that most states forbid public gambling. The police are expected to enforce this law, but the task is very much more difficult than that of enforcing the law against theft or robbery. For in the case of theft the loser complains. In the case of gambling no one complains. Even the man who loses money has gone into it of his own accord, so he doesn't feel like objecting when he loses. It is enormously profitable to conduct gambling places, and it often happens that a large number of people in a city think there is nothing very bad about it. In such a situation it has often been found that the managers of gambling houses pay large sums to some one in authority on condition that they shall not be disturbed. The money is sometimes paid to a member of the police force, sometimes to "the man higher up," sometimes to the leaders of a party which controls the city government. In any case the policeman knows that some keepers of gambling places are allowed to violate the law while others are not. Under these conditions it is very difficult to expect the policeman to be more honest than his superiors.

The liquor traffic is another case. In certain states

He is
tempted
to wink
at vice

it is against the law of the state to sell intoxicating liquors. Certain cities in these states, however, have not been in sympathy with the state law. They have allowed liquor to be sold and have collected fines or some form of license from time to time. This tends to make the policeman constantly a judge as to what laws he will enforce and what he will not. If, then, some who wish to break the law are willing to pay large sums to the police force or to the party managers who control it, it is small wonder if the policeman sometimes thinks that it is no worse for him to overlook certain forms of vice than for the higher authorities to do it.

It is not easy to find a complete solution for all parts of this problem. One very obvious suggestion would be that the state should have a police force to enforce state laws, leaving the city policeman the task of enforcing city ordinances and helping in many constructive ways the business of the city.

The
courts
in the
city

The policeman is only one part of the police system in the city. When he arrests any one for an offense, he takes him first to a police station, and then before the police court, where he is given a hasty hearing. If it is a case of murder or a serious crime, the man is kept a prisoner until the Grand Jury considers his case. Ordinary offenses such as petty thieving, assaults, drunkenness, failure to obey ordinances of the city for clearing snow from walks, and the like, are heard and decided in a few moments by the judge without a jury. Besides cases of arrest, the city courts also hear a great number of cases where one person has a claim against another. It may be for wages. It may be that the city health officer wishes to compel a landlord to make a tenement house sanitary. The

Municipal Court of Chicago is the only court as yet in this country which furnishes adequate statistics. During 1911 53,223 civil cases were brought into court, and of these 50,931 were disposed of by the end of the year. During the same period the court disposed of 9,526 prosecutions for felonies, 11,770 prosecutions for misdemeanors, and 71,434 prosecutions or penal actions for violation of city ordinances. A court of twenty-eight judges disposed of 145,958 cases.

In the Municipal Court of Chicago, which was established in 1906, one chief justice organizes and directs the work of the court. A number of branches or divisions of the court are organized for special purposes. For example, the Domestic Relations Court hears cases that concern family life. The Boys' Court deals with boys too old to come under the care of the Juvenile Court and yet needing especial wisdom and separate treatment for the best results. Nearly all progressive cities now have a Juvenile Court for the hearing of cases of children. In these Juvenile Courts, the child is not charged with a crime and then given a formal trial, as the result of which he is either punished or set free. The procedure of this court is on the theory of the old English Courts of Equity. The child is regarded as a ward of the court. The judge asks simply what is the best thing for this child. It may be best for him to remain at home. It may be best for him to be placed in some institution. It is almost always considered best that he should be under the care of some special officer of the court, called the Probation Officer.

Our courts do a great service, yet few consider city courts to be very satisfactory. Of course judges vary

The great
number of
cases
heard

The
Municipal
Court of
Chicago

in ability and fitness, but apart from this the system is behind the times.

Professor Roscoe Pound has discussed eight problems in the administration of justice in our cities. Without recounting them in detail, we may say that they all grow out of the great differences between our crowded city life with all sorts of races and peoples, many of them too poor to afford the expense of hiring lawyers, and the simpler country life in which our system of courts and its methods of procedure were worked out. Our present system, Professor Pound urges, wastes time and energy. It is even related that in a single case different proceedings have been heard before twenty-two different judges. It is too expensive for the poor. It permits delay. In nearly all large cities legal aid societies have had to be established to do for the poor and friendless precisely what the courts ought to be doing for them. It is as if besides the public schools there had to be societies for educating children because the public schools were too expensive.

To remedy these conditions Professor Pound urges, among other things, first a better knowledge of actual social conditions in our cities. This doesn't mean that it is only the judges who need this knowledge. We all of us know far too little about our city and far too little about the courts. Frequently the courts are visited by curiosity and sensation seekers. If serious men and women visited them it would be helpful to the judge in maintaining an atmosphere of dignity and respect for the law. A second great need is a different system of organization with much greater flexibility. There should be one system for the whole city with an administrative head, just as a school system is organized into a whole under a superintendent. It is only in

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very recent years that the American people has taken up the problem of better courts. Our courts worked so well fifty years ago under very different conditions that it has been hard to persuade the public that there is any need for reform. Those who have had most experience, however, have found the courts so unsatisfactory as to avoid bringing cases before them if it can possibly be helped. Unfortunately persons who are arrested have no option.

The paving and lighting of streets, the building of sewers, the supply of water usually belong to a Department of Public Works, the head or heads of which are usually appointed by the mayor. This department has seldom been so efficient as the fire department nor so much blamed as the police department, but it has had troubles of its own. On the one hand, it employs a great number of unskilled laborers. It has therefore been the great resort for politicians who wish to get jobs for their friends. An inefficient shoveler is not as strikingly out of place as an inefficient fireman. The presence of inefficient men makes the work expensive and so makes taxes higher. But the taxpayers usually do not know very much about it. On the other hand, this department frequently lets great contracts for building water-works, paving streets, digging sewers, or building public buildings. This has afforded opportunities for corruption. In both these problems, namely efficiency and honesty, we have suffered in the past because we have had no scientific standards of what efficiency is and no scientific standards of what public work ought to cost.

A department of
public
works

The Health Department keeps records of births and deaths. It must inspect cases of contagious disease.

Health department

It may maintain a staff of nurses. It examines food and milk. It is likely also to examine plumbing and the sanitary conditions of housing. It may inspect bakeries. In case a family physician finds a suspicious sore throat, he takes a "culture" and sends it to the Department to find out whether it is due to some serious disease like diphtheria. The Department, in short, is constantly watching over the health of the citizens. Its task is less spectacular than the work of the Fire Department, but it is of growing importance. Prevention of death and disease is one of the safest investments which a city can make.

The schools

The department to which the city devotes most money is the Department of Education. It is a department that is directly helpful to the great mass of the citizens. The schoolhouses which were originally built for use during a part of the day by children are now opened for night schools and other types of educational or social gatherings which appeal to all ages. Beginning with the elementary schools all cities now provide high schools. Larger cities offer vocational schools preparing for business or trades or teaching. Some cities are extending their high schools to do one or two years of college work. A few maintain universities. High schools in larger cities have more beautiful buildings, far better equipped with laboratories, than our universities had a short time ago. This means a wonderful opportunity for the boys and girls of the city. And the striking thing about schools in the United States is that the best advantages are becoming more and more accessible to every child. In Europe, besides the common schools for the mass of the people, there has usually been a separate system for those more favored ones who are to enter the pro-

WHAT THE CITY DOES FOR ITS CITIZENS 323

fessions or the government service and constitute a ruling class. Common schools there do not lead easily and directly to higher education. In this country the schools do what they can to counteract class divisions. For although as cities grow larger, rich and poor tend to live in different sections and so do not mix as much in school as in smaller places, the studies are the same for all. Those who come to master science or history, and to love Scott, Dickens, or Shakespeare, are in so far living in the same world. Into the friendships of books and the world of ideas we are not admitted because of birth or wealth. In helping to make it possible for all to enter this world and enjoy its fine and noble things the schools of the city are a great agency for democracy.

The
schools
as aids to
democracy

The following table shows the amounts expended by the governments of 146 cities in 1911 distributed by departments:

| Departments | Per cent | Actual amounts |
|---|----------|----------------|
| General government | 11.9 | \$ 53,691,881 |
| Police department | 12.2 | 54,839,173 |
| Fire department | 9.6 | 43,019,761 |
| All other protection to person and property | 1.9 | 8,617,245 |
| Conservation of health | 1.9 | 8,601,095 |
| Sanitation or promotion of cleanliness ... | 8.2 | 37,054,010 |
| Highways | 11.8 | 53,073,490 |
| Charities, hospitals, and corrections | 6.8 | 30,648,195 |
| Schools | 28.3 | 127,356,885 |
| Libraries, art galleries, and museums | 1.3 | 5,956,277 |
| Recreation | 3.8 | 17,209,218 |
| Pensions and gratuities | 1.7 | 7,587,266 |
| All others | 0.4 | 1,659,006 |

Expenses for all cities in the United States in 1911 averaged \$16.62 per capita for the departments above enumerated; for cities having a population of 300,000

and over, \$20.50; and for cities having a population of 30,000 to 50,000, \$11.45.

The city compared with the national government

We get an impression of the magnitude of what the city does as compared with what the United States government does, when we read that of one hundred and forty-six cities, over 30,000 inhabitants, the per capita payments for all purposes were \$28.55 for the ten years ending 1911; for 1911—\$32.19, whereas the cost-payments of the United States for all purposes for those ten years was \$9.62; for 1911—\$10.28. (Cost payments include expenses, interest, and outlays for permanent properties and improvement.) Further. The amount spent by New York City in ten years, ending 1911, for permanent properties was \$695,197,843, whereas the United States, in the same period, expended for the Panama Canal, for its public buildings, forts and fortifications, and river and harbor improvement, \$637,027,544.

The part of the citizen

With the cities doing all these things, not to mention others such as libraries and parks, it would seem that the citizen should in return do at least three things: First, pay his share of taxes; second, work to elect capable and honest men to office; and third, serve in offices or on committees in so far as he is fitted to do it. Formerly women were limited to the first of these duties. As cities have come to do an increasing variety of tasks which are essentially housekeeping tasks, or concern homes and children, women are coming to be welcomed into the second and third set of duties and opportunities of citizenship.

CHAPTER XXXI

PROBLEMS OF COUNTRY LIFE

THE growth of cities has changed life in the country, for a constant stream of the young is flowing from country to city. And the city affects the country not only by drawing on its population. It is considered a matter of course that people in the country should come to the city for their styles of dress. Styles of thinking are not so completely set by the city and yet the country cannot help being influenced by the great city newspapers which it reads, by the city leaders of political parties, and in general by the great power of the active, concentrated life of the cities. Here is the point at which the country has suffered in influence. For when practically the whole population was rural the country had all the leaders that there were; hence country people were independent and self-reliant. The very fact that business men learn to manage great numbers of workers gives them a certain force, a certain masterfulness, a certain ability to control. The farmer has no such training. There are some large farms, but no farm employs a thousand or ten thousand men, as does the great industry or railroad.

The city
has made
problems
for the
country

Another fact under this same head is that there is a less insistent pressure upon young men in the country; competition is not so keen. The prizes do not urge them so strongly to put forth their best efforts.

The country boy who may have equal ability with his brother who goes to the city is not kept so constantly upon the stretch. He may work hard with his hands but he is not compelled to be so fertile in ideas and plans in order to keep up in the race.

Country life lacks wealth and opportunities

Because it lacks coöperation

Why have the cities proved so attractive? Why has country life fallen behind *relatively speaking*? The first answer is doubtless that the city has seemed to offer greater opportunities—opportunities for wealth, opportunities for education, music, literature, and other good things of life. The reason why the city has had more of these to offer is that it has been able to make greater use of the two great sources of power about which we have already had so much to say, namely, the power of coöperation and the power of knowledge and invention. The farmer has profited by many inventions, such as that of the self-binding reaper, but thus far he has not been able to make great use of the division of labor and coöperation of many men which make the great factories and corporations so productive. The farmer has had to do more with his muscles in proportion to what he can do with his brains than men of ability in business and manufacturing. The farmer undoubtedly needs to use brains: to adapt crops to soils, to select and breed the best varieties of grains, fruit, cattle, and poultry, to guard against insects, to say nothing of marketing crops—all this calls for a wide range of knowledge, and a sound judgment. But the farmer cannot so easily have machines and other men carry out his ideas. The business man foresees what men will want, then builds his factory and hires men to produce and sell the article. The machine and other people carry out the business man's plans, and multiply his profits

far beyond what he could look for if he had to do most of the actual work of making and selling himself. The farmer may foresee a demand for a new fruit or for more beef, but he cannot usually increase his land so easily as a factory can be built, nor can he so profitably employ a large force of other men to help him take advantage of his ideas.

Perhaps some one who has read the chapters on the Industrial Revolution may say at this point, "And a good thing it is that the farmer cannot use other men to carry out his ideas; it is one of the bad consequences of the Revolution that in business or manufacturing one man furnishes the ideas while others are merely his machines. It is bad for the business manager that he uses his brain without his muscles, and he frequently breaks down in health on that account. It is bad for his workmen that they use their muscles without any chance to use their brains; it tends to make their work stupid and uninteresting. It is fortunate also that in one occupation wealth is more evenly distributed, and does not fall into the hands of a few who know how to employ others to carry out their ideas."

This has much force, and it may well be true that the disadvantage of the farmer from the point of view of making a fortune is more than overbalanced by advantages from other points of view. Nevertheless the prizes of the farmer's life are not so brilliant and striking as the prizes of great wealth and power which fall to the successful merchant or manufacturer.

Dwellers in the country suffer not only from lack of power and wealth but from isolation. If people are crowded too closely together with no privacy they suffer in one way, if they live too far apart so that

Isolation
in country
life

no one knows or cares what the other does then they suffer in another way.

The reasons for this would take us far back into the animal world. We find very few animals living in a solitary fashion; most of the higher animals at least live in some sort of groups. When a horse is away from the herd, or a bird from the flock, or a bee from the hive, it seems uneasy. In the case of some of these animal groups there seems also to be a kind of public opinion, a sort of rule of the group; that is, if one does not do as the rest do he is uncomfortable. Now with men, some prefer the crowded life of the city; some, like Daniel Boone, and pioneers of his type, cannot endure too many of their kind. But practically all need some companionship in order to be content, and likewise need—whether they know it or not—the influence of society to make them do their best. The country loafer needs more pressure to compel him to be active. Even the man who is not a loafer is likely to be more active when others about him are all busy.

There is more in the influence of society than just keeping us busy. It is by give and take in the company of some one or more that our minds seem to grow; it is by living not only in our own private dens but in the eyes of others that we somehow expand to become larger persons.

How can the farmer keep his great advantages and yet not suffer because of the defects in wealth and power? Let us first notice briefly what these advantages of farm and country are.

Until the beginning of the nineteenth century no large city kept up its own numbers, it was recruited

from the country. At present, owing to better medical advice, better supervision of school children, and greater attention to sanitation, the city's health is gaining, but there is no reason why the country, with its quiet, its open spaces, its possibility of pure air and fresh food, should not be better off except for cases of disease or accident where immediate access to hospital and specialist is of first importance.

The tendency in business and industry has been toward forming greater units. This means that more and more men work for others. In farming, on the other hand, the size of farms shows no such tendency. The average number of acres in a farm decreased from 202.6 in 1850 to 133.7 in 1880, and then increased slightly to 146.2 in 1900. Some of the newer western estates showed large increases due to the creation of large stock ranches or grain farms; the southern states showed marked decreases owing to the breaking up of old plantations. But in the older states there is little pronounced change. The farmer is much more dependent upon the weather and upon nature than the city man; he is less dependent upon sudden changes in markets, upon panics and good times; but he is especially independent in that he works for himself. He can plan his own work, and vary his hours. He can make improvements in methods. He is his own master to a far greater extent than the clerk at the desk or the laborer at the machine.

Country life calls for independent and individual thinking. In business the salesman must study human nature and understand how best to influence possible customers. He becomes shrewd and tactful. But clerical positions and the work of machine tenders compel less initiative. The farmer, on the other hand,

(1) Health

(2) Independence

(3) Individual thinking

because he is his own employer must also make his own plans, devise his own methods of producing and selling, make the best use of his time and of his land, and finally, must depend for profit upon his own foresight, skill, and energy.

(4) Equal-
ity

Country life favors therefore a more even distribution of wealth and intelligence. It does not appeal to the daring and venturesome who wish to take great risks and reap vast profits. Men of this sort are needed to build the railway and telephone systems and to organize great steel plants and banks. But there are serious dangers in such enormous fortunes as such men have amassed. A society in which a few men are so extremely wealthy and powerful while great numbers are poor, is not so stable as one in which wealth is more evenly distributed. Business and industry, with the city life which grows up about them, tend to make sharply separate social classes; country life works against this.

Needs of
country
life

The great problem of country life is to retain these assets while at the same time overcoming the defects which now put country life at a disadvantage. There is no single solution, but the notable results gained in Denmark, in Ireland, and in certain parts of this country, suggest that the solution will make use in proper fashion of two of the great forces of our time, science and coöperation.

(1) Sci-
ence

There is no question as to the importance of science in country life, first to increase the wealth of the farmer, and second, to raise the standard of his work, the dignity of his occupation, and his own interest in it.

The value of science in increasing the wealth of the farmer has already been shown in a great many ways. The yield of grain has been increased by selection of

seed, by fertilization, and by tillage. The so-called Babcock test for milk has aided the farmer to judge which of his cows are profitable. Diseases like Texas fever have been successfully met. Fruit has been protected from insects by spraying. Yet it is probable that all this is but the beginning of what can be done. In so far as the farmer learns to control natural forces, he is making himself more independent. He is also making his work more interesting and more dignified. It is interesting to see how certain occupations have risen when they have become more scientific. Medicine and nursing were at one time mainly dependent upon remedies and methods handed down by tradition, some of them useful, some hurtful, and in those days the doctor and nurse were not very highly respected. Now that these are becoming constantly more scientific we hold them in the highest respect. For it is one great factor in the real business of living to make ourselves as intelligent as we can. If we have to use our minds we educate ourselves. If the business of the farmer continues to require higher and higher degrees of intelligence the ignorant and careless will have to learn or drop out of the race. The general level of country life will be raised by the education of those who are anxious to learn and by the dropping out of those who do not care to take the trouble, and this will help with many of the difficulties now felt.

The two main ways of getting the increased power of association are: first, where a number of subordinates act under the direction of another; and second, where a number of equals coöperate. Military affairs, business, and industry for the most part are organized under the first method. It gives great efficiency, but it is not so democratic as the second. It does not tend (2) Coöperation

to give to all the responsibility and the happiness that come from sharing, and from treating others as equals. The second is the principle of our democratic government, as we shall see in a later chapter. It is the way in which farmers must combine. It is more difficult to carry on than the first sort and it requires much more intelligence if it is to succeed. But it is a fine and free way of living. It seems to agree best with a free and noble life.

Many kinds of coöperation are necessary if the farmer is to overcome the evils of his isolation. And they cannot be effected all at once. We mention a few of the more evident.

1) in
roducing

(1) Coöperation in producing. Some tools or machines are too expensive for one man to afford, but could well be owned in common by a group. Experts on soils or dairying or fruit raising may be employed by a group, just as a large steel mill has its chemist, and a telephone system its engineers.

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(2) Coöperation in buying and marketing is already in successful operation among the fruit growers of certain districts. It is said, for example, that the Hood River association of apple growers does not allow any of its members to pack his own fruit. All fruit is packed by the expert employed by the association, which in this way is able to guarantee the standard and to obtain a high price. One great difficulty in certain products is the high commission paid to the middleman in the city. In the case of milk, for example, the farmer usually gets about half the retail price. The parcel post may help but for many products coöperation by farmers seems the only way of securing a fairer return.

(3) Coöperation in education has already begun, by the organization of schools for larger groups of chil-

PROBLEMS OF COUNTRY LIFE 333

dren. With better roads the automobile may be a valuable aid in extending the territory from which a central school can be reached. Better teachers and equipment can be secured for such a central school. Churches are often a more difficult problem than schools. Too often the religious forces even in small rural districts are divided. The country church might well be, and sometimes is, a social, musical, and general community center. Where this need is not met by the church some other agency must undertake it and promising beginnings have been made. The United States Department of Agriculture, and in some states special state advisers, have undertaken to help in this work of promoting coöperation in various directions to make country life happier and more stimulating.

(3) In
education,
religion,
and social
life

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PART IV

**LIBERTY, UNION, DEMOCRACY IN THE NEW
WORLD**



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CHAPTER XXXII

NEW FORCES AND NEW TASKS

THE first steps toward union, freedom, and democracy had been taken, as we have seen, long before America was settled or even discovered. Progress along all these lines continued in Europe. Nevertheless the struggle for liberty in the Old World was hard and often discouraging. Beginning with the Pilgrims who came in the *Mayflower* to Plymouth in 1620, multitudes from all the countries of Europe came to America to find here a land of freedom, a land of opportunity. Sometimes it was religious freedom that they sought. This was the case with many of the first emigrants from England in the years 1620-40. Sometimes it was the opportunity to have land and homes of their own, with greater opportunity to work out their own lives. This seems to have brought many of the Scotch-Irish a century later. Sometimes it was political liberty that was most prominent, as with the Germans who came in 1848. Frequently it has been several motives combined. In the Old World the power of kings and nobility was tenacious; the division between gentry and common folk was firmly fixed and only rarely could a man of lower class break over this division. The land was nearly all owned by the gentry. Laws often favored the ruling class. Religion was controlled in many ways by the government. In England, after the time of Henry VIII, the king was head of the church. At the time when the early settlers

America
spells
oppor-
tunity

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began to come to this country religious persecution was not uncommon. Edward Everett Hale in his poem on Columbus represents him as hearing a voice calling for a chance to make a new beginning:

“ ‘ Give me white paper!
This which you use is black and rough with smears
Of sweat and grime and fraud and blood and tears,
Crossed with the story of men’s sins and fears,
Of battle and of famine all these years
When all God’s children had forgot their birth,
And d^undged and fought and died like beasts of earth.

“ ‘ Give me white paper!’
One storm-trained seaman listened to the word;
What no man saw he saw; he heard what no man heard.
In answer he compelled the sea
To eager men to tell
The secret she had kept so well!
Left blood and guilt and tyranny behind,—
Sailing still West the hidden shore to find;
For all mankind that unstained scroll unfurled,
Where God might write anew the story of the World.”

Four factors in American life

We purpose in this chapter to note briefly the new conditions that have made life in America in many ways freer and more democratic than life in the Old World. In later chapters we shall take up in succession what we may call the spirit of America and its contribution to human life. The four great aspects of this spirit and contribution are (1) Liberty, (2) Union, (3) Democracy, and (4) Free coöperation with other nations.

The great facts which we notice in this chapter are (1) the kind or class of people who came to America, (2) the influence of free land, (3) the influence of the frontier, (4) the influence in more recent years of the Industrial Revolution. This last is not peculiar to

America, but must be noticed in order to understand the recent problems of America.

During the three hundred years since America was first settled by white men many sorts of people have come to its shores, but for our purpose the character of those who came first is particularly important because they did much to shape the institutions of the country, its government, its schools, its religion, its mode of life. Those who came later came very largely because they liked what these first settlers had done, and in most respects the later comers fitted into the system which they found when they arrived, although in some respects they certainly modified it, notably in such matters as the observance of Sunday. The early settlers were for the most part of the middle or lower class. This was particularly true in New England. There were, to be sure, a few landholders and gentry among the Massachusetts Bay Colony, but the great majority were not of this class. None of the nobility came to these colonies. Farther south there were in the Maryland, Virginia, and South Carolina colonies members of the gentry. The Dutch also had some large estates, but with the exception of the coast region in the south the country came to be peopled more and more by those who were not well off in the Old World and sought a place here to better their fortunes. The great landholders of Europe, the lords who were already in conditions of power, of wealth, had nothing to gain by coming here. They naturally stayed at home.

We are not to think that people of the middle and lower classes were necessarily entirely different in their bodies and minds from people of the nobility.

The fact is, however, as we have seen in earlier chapters, that when a conquering band of warriors invade a country they tend to make a distinct class and to reduce the other dwellers to a lower class. Then the children of the first class are brought up to look upon themselves as superior to others. They are constantly reminded of this distinction by their whole training and education. They follow a different kind of occupation. They are either rulers or in the army or in the professions. They do not engage in manual labor. They own practically all the land and get their support largely through this ownership, while the others carry on farming and trading. The son of the farmer or trader expects to be a farmer or trader. He is educated for this. Hence, although the children of the two classes may not be so different at birth, they come to be increasingly different as they grow up. In America, although a few of the gentry came over, and although in certain parts of the country they kept a certain amount of class feeling and class pride, they for the most part did not have any such complete control of land or government as to make a subject-class out of the rest of the people. So many of the other classes came and were enabled because of free land and the influence of the frontier to become prominent in all departments of life that the mixing in all kinds of ways soon began. All settlers went to the same church, to the same town meetings, families intermarried, and in course of time, when common schools were established, children went to the same school.

Britain and largely took it away from the previous dwellers. The Saxons drove off the Celts or made them laborers on the land. The Normans in turn claimed all the land of England by conquest. The Saxons were mostly reduced to the condition of villeins, who had certain rights as tenants but did not own the land they worked upon. The land in Great Britain has ever since been largely owned by the few rather than by the many.

One of the most important features in the New World was that practically every colonist who settled in America either owned land from the beginning or soon came to own it. Today nearly half the population in the United States live in cities or large villages. But this is a recent condition which is setting new problems for democracy. In all the earlier years when America was shaping its ideas and its government, the people lived largely under rural conditions. The colonists were very largely farmers, and those who were not farmers usually owned at least their own homes. A group of settlers in a town near the coast would live there until their sons grew up and wished to set up their own homes. Then they would petition the authorities of the colony to survey a new tract and open it to settlers, so that the sons could own farms and homes. After the Revolution the public lands in the Middle West, and later the great tracts of prairie and upland still farther west, were open to settlers. Almost any one who was willing to work and to endure the hardships of the pioneer could own a homestead. It required persistence and courage; it meant going without many comforts of civilization; it meant loneliness, and often danger. Many city dwellers of today would prefer to rent a steam-heated, electric-lighted

flat cared for by a janitor, close to street cars, theaters, and offices, rather than to own a piece of land if they must chop their wood, build their fires, plow, sow, harvest, care for cattle and horses, make cheese and butter, clothing and candles. Two hundred, and even one hundred years ago, there was no such choice open. But the men and women did not shrink. They prized the independence and freedom that they gained by owning their own farms. They were willing to pay the price. They were made more sturdy and vigorous upholders of liberty in other ways because they were accustomed to rely upon themselves and to be independent owners of their own homes.

The
influence
of the
frontier

Man has been making inventions for thousands of years. These make living easier and none of us would wish to go back to the days before there was machinery, before steam and electricity did the hard and exhausting labor. We should not like to exchange our railroads for the ox team. Women would not choose to spin and weave all the linen of the household or to make the garments worn by themselves and their families. We should not wish to give up the daily newspaper, the frequent mails, the telegraph and telephone. Yet can we say that in putting all these inventions to work for us we have not lost something, although we may have gained a great deal? We have gained in wealth and comfort, but this wealth and comfort have come very unevenly to different classes. We no longer all live in practically the same kind of houses and do the same kind of work. It was the evil of the conquest by the king and his band of warriors that classes were formed which had different occupations. The fighter and ruler looked down upon the manual worker. At

present time our differences in wealth and education have something of the same effect in making different classes. The man who is manager, or even the clerk who works in the office, is not in quite the same class than the man who works with his hands, although it may be the latter is earning a higher wage. The girl who works in a store is likely to look down upon the girl who does domestic work. In the frontier conditions early life in America such differences of occupation were small. Practically the whole people were farmers. All men and all women worked with their hands. The young woman who went to another family to help with the work was not regarded as necessarily inferior in social standing to the family whom she helped. The man who could fell his tree in the most workmanlike fashion or plow the straightest furrow, who was the best shot with his rifle or wisest in the lore of the rest, was respected by his fellows without regard to ancestry. Pews in the meeting-house, to be sure, were allotted to men in the order of their importance in the community, but this was not firmly fixed, and in any case the men all met together within the same meeting-house. Town meetings and the various gatherings for "raising" houses and barns, harvesting crops, and other occasions of coöperation tended toward democracy. Those who remained in the cities on the coast owing to the Old World distinctions far more than those who pushed on in successive migrations into the wilderness. The frontier has been a continual school of democracy in American life.

The fourth great factor in the development of democracy in the New World has been the Industrial evolution which we described in Part II. We do

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The
Industrial
Revolution
sets new
problems

not need to repeat what was said there as to the increase of wealth, the changes in home life, the shift from country to city, and the forming of a new class division—capitalist and wage-earner. All that we need to do here is to point out briefly that the Revolution has set new problems for liberty, union, and democracy, and to give certain typical illustrations of these.

(1) It
created a
new
power

First of all, it has set up a new power in the world. A thousand years ago, if you had come into any town or country of Europe, you would have found two sorts of men who were powerful. One was the warriors with the king at their head. They owned the land, for the most part. The other was the leaders of the church. The beautiful and massive cathedrals which men built during the Middle Ages show how important a power the church was. Men were then much poorer than today and lived in very small and uncomfortable houses, but they built wonderful churches and cloisters; the church itself was a well organized institution, and the heads of the church had power greater in some respects than the heads of the armies and states. Today, if you were asked who were the most powerful men in the country, you would perhaps name the President of the United States, the judges of the Supreme Court, and a very few political leaders; you might, perhaps, think of some church leaders who are prominent; but you would be very certain to name some of the wealthy men of the country, the directors of the great railways, banks, insurance companies, and manufacturing establishments. The great power of these men is due, as we have already said, to the fact that they are leaders of a new kind of union or coöperation—coöperation in industry and business as contrasted with military or church

coöperation. This new power is in some respects very favorable to liberty and democracy. It gives more chances to boys to develop their abilities and to do the kinds of things that they like. For, of course, not every boy in former times could make a brilliant soldier, even if he liked fighting. This power is also more peaceful in its methods than the old military power, even if it is often very harsh in its competition. It is probably an advantage also to have more than one or two kinds of power. It will be safer for democracy and for the common man than if there is only one. On the other hand, this new power of wealth has made great problems for liberty and democracy. Just as the king at first kept in his own hands the right to say how everything should be done, and was very indignant if any of his subjects questioned his authority, so some of the captains of industry have wished to keep this power entirely in their own hands and have not been willing to share it or to admit that the public has any right to question the way in which they shall use it. This has led to many conflicts between the capitalists and the people acting through legislatures and courts.

The Industrial Revolution has made new problems for union. In the early days of the country there were differences between the different colonies. The New England and the Southern colonies were far apart and had different interests. A little later there were differences between the pioneers who pushed into the Western country and the old settlements along the coast; but the Revolution introduced new divisions. The first great influence of the Industrial Revolution in America in this respect was not in the factories but in the fields which grew cotton for

(2) It has caused divisions

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the factories. In the early history of the country, there had been a few slaves, but they were mainly for house-servants or laborers on small plantations. The great demand for cotton after the invention of the new machinery for carding, spinning, and weaving made it very profitable to raise great fields of cotton in the South. This made the use of slaves as farm laborers far more profitable than it had been before. If it had not been for this new demand, it seems very likely that the slaves would have been gradually freed without much opposition, for many of the prominent men of the South were opposed to slavery. We may fairly say that the Civil War, therefore, was in large measure due to the Industrial Revolution.

The present problems of democracy and liberty which are caused by this division between employers and employees are brought before us almost every day. Conflicts over wages are, of course, to be expected, but sometimes we are led to fear that there is bitterness between different classes much greater than would be caused by a difference of opinion about wages. It is a difference that goes deeper. It comes from the fact that the two classes do such different things that they do not understand each other. The working people tend machines and cannot help being affected to some degree by the nature and environment of machine work. The other class work in offices, they buy and sell, they wear different clothes, and think about different things.

This difference in point of view which often makes it hard for one class to understand the other is increased by the way in which people live in cities. Our modern cities are also a product of the Industrial Revolution. They are built up largely around factories or railway centers, or near harbors. The work-

men live near the factory. The business men live in districts out away from the smoke and noise. The children do not attend the same schools. The grown people do not often see each other. Neither half knows how the other lives. They might as well be a thousand miles apart.

Still another division in our country has been brought about partly by the Industrial Revolution. This is the division caused by immigration. At the beginning we all spoke one language and came from Great Britain and Ireland with very few exceptions. Today we are a multitude of races, and we speak and read many languages. In the city of Chicago alone over forty different languages are spoken and in most of these languages newspapers are printed. The people of many of these nationalities naturally tend to live in large groups, so that in the great cities there are really separate sub-cities. A Polish city, a German city, a Bohemian city, a Jewish city, an Italian city, and many others may be found in the great cities of the country. Here is another problem for liberty and democracy.

A nation is a group of people with unity of race or tradition or feeling which enables them to live together under a common government. An empire usually means a number of races, peoples, and perhaps nations, under a single government. Frequently in modern times, it means that a number of rather less highly civilized people are ruled by a central power which is more highly civilized. The great example of an empire is the British Empire. This began with the British islands; it grew by the colonies in America, in Australia, in South Africa, but it grew also by the conquest of India and Egypt and many smaller coun-

(3) It has promoted imperialism

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tries. In almost all cases there was first some trade between England and these other countries, which was followed by some method of government designed to protect the traders in their dealings with the natives. The Industrial Revolution began in England and made it possible to manufacture great quantities of cloth and other articles more cheaply than before. It was natural to attempt to trade with peoples all over the world in order to sell them these new goods, and in this way country after country was added to the British Empire. The Dutch, in a similar way, built up an empire over the islands of the East Indies. These empires began before the Industrial Revolution, but in the nineteenth century the British Empire developed very rapidly, and during the latter part of the century the French and German empires also showed rapid expansion. Rivalry between these different empires and between the Balkan states has been a great feature in bringing on the world war. But even before this it made one great problem of liberty and democracy. For since, in these great empires, certain parts were not of the same language or as highly civilized as other parts, the question became more and more serious, Should they be kept under the government of the more highly civilized power or should they be allowed to govern themselves? Democracy says that all governments derive their just powers from the consent of the governed. How can this be reconciled with imperialism? The United States has had to face that problem in the case of the Philippine Islands, but it is going to be compelled to consider it also in world affairs, if the United States is to be drawn more and more into the great problems of world peace and world coöperation.

CHAPTER XXXIII

LIBERTY

THE new nation which our fathers brought forth upon this continent was conceived in liberty.

And this was natural, for it was the love of liberty in various forms which brought many of the original colonists to America.

Some came to seek religious freedom. Of those who came to Plymouth after first fleeing to Holland, Bradford writes:

"They could not long continue in any peaceable condition, but were hunted and persecuted on every side, so as their former afflictions were but as fleabiting in comparison of these which now came upon them. For some were taken and clapt up in prison, others had their houses besett and watcht night and day, and hardly escaped their hands; and y^e most were faine to fyfe and leave their howses and habitations, and the meanes of their livelehood.

"Seeing themselves thus molested, and that there was no hope of their continuance ther, by a joynte consente they resolved to goe into y^e Low Countries, where they heard was freedom of religion for all men."

Others of the colonists came largely to find a better opportunity than the Old World afforded them. They did not think especially about civil or political liberty, nor in fact about government at all. But when they found themselves in a wilderness, thousands of miles from the home country, they were soon forced to settle many matters for themselves.

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They had to defend themselves against Indians. They had to portion out new lands, build meeting houses, and keep order. They felt in a sense more independent than they had been in England. But they considered themselves to be still Englishmen and to have all the rights of Englishmen. When the early charters were taken away from certain of the colonies, protests were made; but it was the Stamp Tax which called out united resistance and brought out a statement of some of the important rights. The case was very much like that of a boy who goes a thousand miles from home. He becomes used to managing his own affairs. Perhaps he has been in the habit of sending home part of his earnings from time to time. If now, all of a sudden, he should receive a letter informing him that he must send his father a fixed sum, and that a collector would call upon him for it, and arrest him if he should not pay at once, he would very likely be angry and refuse to pay.

The
undoubted
rights of
English-
men

Something of the sort seems to have stirred the Americans when the Stamp Tax was suddenly imposed. They assembled at Albany and, while professing respect for the king and the Parliament, declared:

"That his majesty's liege subjects in these colonies are entitled to all the inherent rights and privileges of his natural born subjects within the kingdom of Great Britain.

"That it is inseparably essential to the freedom of a people, and the undoubted rights of Englishmen, that no taxes should be imposed upon them but with their own consent, given personally or by their representatives.

"That the people of these colonies are not, and from their local circumstances cannot be, represented in the House of Commons in Great Britain.

"That the only representatives of the people of these colonies are persons chosen therein by themselves; and

that no taxes ever have been, or can be constitutionally imposed on them, but by their respective legislatures.

"That all supplies to the crown, being free gifts of the people, it is unreasonable and inconsistent with the principles and spirit of the British constitution for the people of Great Britain to grant to his majesty the property of the colonists.

"That trial by jury is the inherent and invaluable right of every British subject of these colonies." (Declaration of Rights and Grievances of the Colonists in America.)

The reason why they insisted on granting aids through their own bodies instead of having them fixed by Parliament is well put by Benjamin Franklin:

"Their opinion is, that when aids to the crown are wanted, they are to be asked of the several assemblies according to the old established usage, who will, as they always have done, grant them freely. . . . The granting aids to the crown is the only means they have of recommending themselves to their Sovereign, and they think it extremely hard and unjust, that a body of men, in which they have no representatives should make a merit to itself of giving and granting what is not its own, but theirs, and deprive them of a right they esteem of the utmost value and importance, as it is the security of all their other rights."

James Otis urges that the right "to be free from all taxes but what he consents to in person or by his representative is part of the common law, part of a British subject's birthright."

So far it was the rights of Englishmen, of British subjects, on which the Americans stood. But ten years later, when the Revolution began, a deeper foundation was sought for rights and liberty. These men of '76 found it in the doctrine of natural rights which had been laid down by Locke and Blackstone in England,

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and by Rousseau in France. To say that men had certain rights by nature, even before there was any government, seemed to give a stronger foundation for liberty. To say that God had created men equal, and had endowed them with rights, made the foundation still stronger and more sacred. Both these ways of stating the doctrine are found in declarations of rights made during the Revolution.

The Virginia Declaration of Rights adopted June 2, 1776, declares:

"That all men are by nature equally free and independent, and have certain inherent rights, of which, when they enter into a state of society, they cannot by any compact, deprive or divest their posterity, namely the enjoyment of life and liberty with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety."

This was to emphasize the "natural" character of rights. The great Declaration of Independence, adopted July 4, 1776, takes the second way of statement:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness."

Governments
are to
secure
rights

These declarations then go on to give their view of government. Governments are instituted "to secure these rights," "deriving their just powers from the consent of the governed." The Virginia Declaration says:

"That all power is vested in, and consequently derived from, the people; that magistrates are their trustees and servants, and at all times amenable to them."

As we have seen, the British government did not actually begin in this way. It began with the strong arm of the king and his warriors. And even if we go back as far as records carry us we do not find any state of nature in which men had such complete rights. So far as England, at least, was concerned, these rights had been gained step by step. But the men of '76 were not really trying to give a history. They were trying to say in the strongest way possible that men *ought* to be free, that governments *ought* to be for the people, and not for their own advantage, and that they *ought* to be responsible to the people and controlled by law.

What were the specific kinds of rights which were claimed by those who fought the Revolutionary War? They were very largely the "civil rights" with which we have already become familiar in Chapter XI. "Life, Liberty, and the pursuit of Happiness" are the three rights which the Great Declaration sets first; the Virginia Declaration adds "the means of acquiring and possessing property." When we go on further in the Virginia Declaration we find several more definite claims which we may regard as the "platform of 1776." The more important may be grouped under:

(1) *The Government.* All power is in the people, the magistrates are trustees. If a government does not act for the common benefit, the majority has a right to reform or abolish it. So far we have the views of Milton and Locke. But now we meet a new point. "The legislative, executive, and judicial powers should be separate and distinct"; their members should at fixed periods retire to private life, and frequent elections should be held.

(2) *Political rights.* All should have the right of

The
specific
rights
claimed

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suffrage who have "evidence of permanent common interest with, and attachment to the community."

(3) *Civil rights—Property.* Men cannot be taxed or deprived of their property for public uses without their own consent or that of their representatives.

(4) *Civil rights of those accused of crimes.* "A man hath a right to know the cause of his prosecution, to be confronted with the accusers and witnesses, to call for evidence in his favor, to have a speedy trial by an impartial jury, . . . nor can be compelled to give evidence against himself;" and no man can "be deprived of his liberty, except by the law of the land or the judgment of his peers."

"Excessive bail ought not to be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted."

"General warrants . . . to search . . . places or to seize any person or persons not named . . ." without evidence of actual facts or offenses committed are oppressive.

(5) *Civil Rights in Private Cases.* "In controversies respecting property and in suits between man and man, the ancient trial by jury of twelve men is preferable. . . ."

(6) *Civil Rights.* "Freedom of the press is one of the great bulwarks of liberty."

(7) *Religious liberty.* ". . . All men are equally entitled to the free exercise of religion according to the dictates of conscience. . . ."

The cause of liberty in all these various forms was then the cause for which men were ready to fight, and if need be, to die. Some men of those days doubtless had mixed motives. Some may have believed they would gain financially by independence. Some may have

fought because they liked the excitement, or to gratify a grudge against the tories. But for most it was not a selfish or an exciting experience. It was taking a desperate chance for a cause that they believed in. If we can look back and bring before us vividly the situation which the men gathered in Philadelphia on that 4th of July faced; if we can picture the terrible odds against success, the certain penalties of failure, the inevitable hardships, we begin to realize faintly how much was implied in the concluding words of the Great Declaration:

"And for the support of this Declaration, with a firm reliance on the protection of divine Providence, we mutually pledge to each other our Lives, our Fortunes, and our sacred Honour."

The essential meaning of Liberty in the principles of '76 was evidently freedom from oppression by the government. There is not a word in them about oppression of one class by another. There is not a word about burdens of poverty or unfair contracts. Men felt that if the government would let them alone they could themselves get a living and pursue happiness. It was government that they were afraid of. They wanted to have a government that could not, if it wished, treat any of its subjects unjustly. So they would have it limited by law. To prevent it from being too strong they would divide it into three separate powers, and make each a sort of check upon the others. The best place to study this plan will be when we take up the meaning of the Constitution. We call attention now to the fact that it was incorporated in the Virginia Declaration of 1776.

The meaning of Liberty was freedom from oppression by government

CHAPTER XXXIV

DEVELOPMENT AND PRESENT PROBLEMS OF LIBERTY

Amendments to the Constitution as a bill of rights

THE principles which were expressed and fought for in 1776 have remained as an important part of the American spirit ever since. When the Constitution under which our national government was reorganized in 1789 was first framed, many of the rights noted in the Declaration of Independence were not mentioned. It was provided that the writ of *habeas corpus* "shall not be suspended, unless when in Cases of Rebellion or Invasion the Public Safety may require it"; and, further, that "The Trial of all Crimes, except in Cases of Impeachment, shall be by jury." But the other rights expressed in the Virginia Declaration are not explicitly mentioned. Many were fearful that the new government might be tyrannical if no provision was made concerning the rights for which the war had been fought. Thomas Jefferson wrote, "The absence of expressed declaration insuring freedom of religion, freedom of the press, freedom of the person under the uninterrupted protection of the *habeas corpus*, and trial by jury in Civil as well as Criminal cases, excited my jealousy; and the re-eligibility of the President for life, I quite disapprove."

This feeling expressed by Jefferson was so general that ten amendments were adopted in the very first year, embodying essentially those rights which Englishmen had stated in the Petition of Right presented

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to Charles I in 1628, and again in the Bill of Rights drawn up by the House of Commons in 1689. They have a large place in our legal system.

It was because liberty to the men of '76 meant civil and political liberty that when they wrote "All men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty," it never occurred to them that this excluded slavery. It is a good illustration of what so often happens, namely, that we may hold views that are really inconsistent without noticing the fact. Yet almost as soon as the war was over Congress passed the famous ordinance of 1787 for the government of the territory northwest of the Ohio River, which provided

"Article the sixth. There shall be neither slavery nor involuntary servitude in the said territory otherwise than in the punishment of crimes, whereof the party shall have been duly convicted."

and the astonishing thing is that this provision was passed without any opposition from the Southern States, although when the vote was taken there were four Northern and four Southern States present. Had it not been for the great development of cotton plantations it is quite possible that emancipation of negroes throughout the South might have followed peacefully as it did in the Northern States, but with the great demand for cotton that followed the Industrial Revolution slavery became so important to the wealth of the South that it required the terrible struggle of civil war to decide that liberty should belong to all within the nation.

Oppression by the government was what the men

Liberty
and
slavery

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of '76 feared most. But it was not long before they began to see that fighting is not the most important way of securing freedom. A man who is ignorant is not free. He does not know how to protect himself. He does not know how to take advantage of opportunities. He is easily deceived. We have seen how the Peasants' Revolt in England and the similar revolt in Germany failed largely because of the ignorance of the peasants. The colonists had had schools of various kinds, and in spite of their poverty had founded colleges. But these latter were chiefly intended for educating ministers. The ordinance of 1787, however, had a provision almost as significant as its article prohibiting slavery.

"Religion, morality and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

In accordance with the spirit of this provision, a generous portion of all the public lands in the Northwestern States was set apart for the support of schools and universities. Usually when a new township was laid out, six miles square and including thirty-six sections, two sections were set apart as school sections. On this foundation great school systems have been built up, in which tuition is free from the elementary school to the university. Their purpose has been well stated by President Angell of the University of Michigan: "It has been my aim that every child in the state might see from his home a path open before him to the University."

In the East, schools were established more largely by private contributions, but in many cases the states gave aid. In the early part of the nineteenth century

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the academy was a favorite type of school and the thought of education as a means of preserving liberty was prominent. In one such academy, founded in 1804, the application for a charter reads:

"Considering the right condition of youths as the greatest security of free states, and the only means by which their independence can be maintained in purity, and there being no academical institution within thirty miles of this place, they believe that it would be of public utility to have an academy erected in the town of Monson."

In the case of education, as in so many other instances, liberty was at first sought for a part of the community. Girls were not at first admitted to grammar schools. In one case they were allowed to sit on the steps. The writer's grandmother was refused permission to attend school because in the judgment of the clergyman who conducted the school "the female mind is not capable of understanding grammar."

The academies, however, were mainly co-educational; and in the West co-education has been the rule in elementary and high schools. Opportunities for higher education for women have now been provided in all parts of the country, so that we may properly say free education is a part of the American idea.

In a still larger sense education is necessary for freedom; only recently has this come to be realized. With the rapid growth of natural science and of invention it has become evident that freedom from disease, freedom from poverty, freedom from fears of many kinds all depend upon education. People die from many diseases which are now known to be entirely unnecessary. Smallpox, which used to be a dreadful scourge, attacking nearly half the people of the country and

Liberation
from
disease

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killing great numbers of them, has now been almost completely banished. Tuberculosis is kept alive by ignorance of people and might be banished as well. We have learned how to control many of the diseases which threaten the lives of babies. The length of human life has been doubled in the last three and a half centuries. But, whereas during the seventeenth and eighteenth centuries the increase was about four years per century, during the first half of the nineteenth century it rose in Europe to the rate of nine years per century, and during the latter half of the nineteenth century to the rate of about seventeen years per century. In Germany, where medical and sanitary science has reached very high development, the rate of increase during the last period was twenty-seven years per century.

It is estimated that at any time in the United States about three million persons are seriously ill and that fully half of this illness is preventable. Some of it is due to the ignorance of the victim; he does not know how to take care of himself. Much of it exists because no one can protect himself against the ignorance of others. If persons who have contagious diseases are ignorant or careless, they convey diseases to us, no matter how careful we may be. Much more exists because of the conditions under which people now work. If a workshop is unhealthful, if there is dust in the air, or lead in the materials that the worker handles, he may not be able to protect himself from disease. Such cases as this call for help from society as a whole. All of them call for education.

The great issues of freedom at present are not the same as those of a hundred years ago. We are not now afraid that the government will tyrannize over us.

There is, to be sure, always a danger that the majority may for a time forget the rights of the minority. We shall see in the chapter on Union how our system of government attempts to prevent this. But after all, our chief difficulty at present seems to be entirely the opposite. The majority find it very difficult to do things which they really want to do. In business the problem of freedom has taken the form of a conflict between small business men and large corporations or monopolies. In industry it takes the form of a conflict between the kind of freedom which a workman has who makes his own bargains and the kind of freedom he has if he unites with others to make a collective bargain through a union.

Dangers to liberty may come from sources other than government. This is illustrated by religious liberty. Formerly a man might be compelled to attend or contribute to a church against his will. He might be forbidden by the government to meet with those of his own belief. In Catholic countries Protestants were so forbidden; in Protestant countries Catholics were so forbidden. At present it is not the government which interferes with religion; it is business and industry. Some industries have to be carried on continuously. Blast furnaces cannot be allowed to cool down without great loss. Other industries, such as the street railways, the gas and electric lighting plants in cities, supply some form of public service which is needed every day. Of course it has always been necessary to take care of horses and cows, to cook meals, and to care for the sick, but these were home occupations and they did not necessarily interfere with religious observances. On the other hand, those employed in mills and on railways, or in hotels and restaurants,

Present
problems
of
liberty

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have now practically no opportunity whatever for one important aspect of religious liberty, namely, freedom to worship with others.

Freedom of speech

Freedom of speech and of the press is another liberty which was formerly threatened chiefly by the government. At one time it was forbidden to print books unless they had first been approved by a public censor. Printers or editors of newspapers were liable to be punished for treason or libel if they criticised the government. Then came a time when the newspapers were nearly all controlled by the ideas of some political party. They were called "organs." A Democratic newspaper was supposed to approve the measures of the Democratic Party. A Republican newspaper was supposed to approve the Republican measures. A Democratic newspaper advocated the election of any man whom the party nominated, while the Republican newspaper stood by the Republican, regardless of the fitness of his character. This is no longer so completely the case. We have much more freedom and independence so far as party control is concerned.

At the present time the freedom of the press has to encounter another power. Newspapers and magazines are now printed and sold at a very low price. In the great cities the daily newspaper is sold for one or two cents; monthly magazines are sold for a price that scarcely pays for the paper used in them; advertising is depended upon as the chief means of support. If, now, the newspaper or magazine expresses opinions which are very hostile to any kind of business, the advertising is sure to feel the effects. Or, perhaps, a newspaper or magazine, like any other business enterprise, needs to borrow money at the banks from time to time. If it has been publishing criticisms of

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certain kinds of business which have influence with banks, it may find itself unable to get any funds and so be forced into bankruptcy. In the future probably some way will be found to secure freedom from control by business interests. Even now one check operates. For, unless a paper seems to be at least fairly reliable, and unless it prints a fairly full account of important events, its sale will suffer. Further, it is likely that important news will find at least one newspaper ready to print it, and other newspapers will not like to be accused of suppressing what is printed elsewhere.

Lack of
union in
Europe

CHAPTER XXXV

AFTER LIBERTY—UNION

WE can perhaps better understand the problem which our forefathers faced if we think of the conditions in Europe during the past century and especially during recent years. In Europe there are six Great Powers, so called: Great Britain, France, Germany, Austria, Italy, and Russia. Each of these except Great Britain has maintained a vast standing army; Great Britain being an island has depended upon a navy which it maintains at a strength of the combined strength of any other two Powers. Along the frontiers of these Powers on the Continent are military posts, and all travelers crossing the frontiers must be examined to see that they carry no articles on which custom duty is levied. Trade between the different countries is subject to duties at the frontiers. Some of the lesser Powers, such as Switzerland, Holland, and Scandinavia, maintain armies large in proportion to the size of their countries and are in more or less constant fear of their more powerful neighbors. In southeastern Europe the Balkan States have been engaged in more or less continuous intrigue and quarreling. Sometimes for a brief period an alliance has been formed among them only to be dissolved in a fresh quarrel. The great world war has grown out of this condition of things.

This all shows the result of separation, suspicion, and fear.

This state of things in Europe is so utterly different from conditions in the United States that it is hard to realize that we might have had similar conditions in this country if our fathers had not planned for union as well as for liberty. To be sure, the early settlers were nearly all of British stock and nearly all spoke the English language, whereas the people of Europe belong to several races and speak in many tongues. Nevertheless, the original colonies were very different groups of people and as time went on developed different interests. The most striking cause of different interests was of course the development of cotton raising in the South, of manufacturing in New England, and of the grain and cattle growing of the Middle West and Northwest. But even in the early days the Puritans, the Dutch, the Virginia planters, the Pennsylvania Quakers, the Germans, and commercial classes often clashed. During the War for Independence the colonies were so little united that they failed to give Washington adequate support. If Great Britain had been in a position to take advantage of the lack of union she apparently would have had an easy victory.

It was, in the first place, the need of combining to resist oppressive measures of the British king that impressed the importance of union upon the leaders of that day. They saw, in the language of Franklin, that if they did not hang together they would all hang separately. But after the war was over and independence had been achieved the need for union seemed less urgent. For a period of six years there was no real national government. The states formed what was called a confederation. There was no president

The confederation
too weak
a union

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of the United States and there were no courts. There was no authority which had power to compel any one of the separate states to do anything which it did not wish to do. Representatives of the different states came together something as representatives of independent nations in Europe might come together. They thought so highly of independence, they were so suspicious from long experience of the power of government, that they were not at first willing to give up any of their independence for the sake of a stronger union. For somewhat different reasons the nations of Europe have never been able to come together and form a United States of Europe. The territory of Europe is only a little larger than that of the United States; but the separate peoples each cherish their own independence and rights so strongly, they are so afraid that in a union they might be tyrannized over by the others, that they have preferred to endure the frightful conditions under which they have lived rather than to form any kind of a union.

We have stated above that there were different interests in the different colonies—the states, as the colonies were called after they separated from Great Britain. During the period following the War for Independence some of the various interests that were active were the following:

Commercial classes, merchants, and traders, wanted a firmer government which should protect their shipping. They also wanted freer trade between the states. Pirates on the Barbary Coast in the Mediterranean attacked and plundered our ships; there was no national navy and no one state was therefore strong enough to protect its merchants. The states set up barriers which hindered trade. New York required

Group desirous of stronger union

boats from Connecticut and New Jersey to pay entrance fees and duties as if they had come from a foreign country. In return for this, Connecticut business men signed an agreement not to send any goods whatever into New York for a period of twelve months.

Another group which wanted a firmer government was that of the property owners. The war left both the government and the people poor. Many were in debt, taxes were high and it was difficult to find money with which to pay them. Some who were in debt claimed that since all had joined together to help gain independence, all should share equally in the property of the country and that debt should be abolished. Naturally this alarmed property owners.

A third group that supported the demand for a stronger union was made up of statesmen like Washington and Franklin. They were moved not by a selfish interest but by a far-sighted view of the necessities of the whole people. Alexander Hamilton mentioned these three groups in summing up the interests favorable to the new constitution.

He named "the very great weight of influence of the persons who framed it, particularly in the universal popularity of General Washington—the good-will of the commercial interest throughout the states which will give all its efforts to the establishment of a government capable of regulating, protecting, and expanding the commerce of the Union—the good-will of most men of property in the several states who wish a government of the Union able to protect them against domestic violence and the degradations which the democratic spirit is apt to make on property . . . a strong belief in the people at large of the insufficiency of the present confederation to preserve the existence of the Union."

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Interests
opposed to
stronger
union

On the other hand, there were two interests opposed to a stronger union. In the first place, the extreme lovers of independence wished to maintain separate states and were very reluctant to give up any of the powers of the state to a central government. At that time there were, to be sure, only thirteen states and they occupied a very small territory as compared with the present area of the United States; but there were no railroads, no telegraphs, there was little travel. mails were not frequent, and it took longer to go from Boston to Virginia than it takes now to go from Boston to San Francisco. Consequently people in the different parts of the country did not understand each other and had less basis for getting together than they have today.

The second group, whose members were dubious as to the advantage of a strong central government, if not actively opposed, was made up of the poorer classes, especially the farmers who formed the mass of the people. Alexander Hamilton was one of the foremost in the demand for a stronger union and wrote articles for a paper called *The Federalist*. He described the different interests not only of this country, but of all communities as follows:

"All communities," said Hamilton, "divide themselves into the few and the many. The first are the rich and well-born, the other the mass of the people. The voice of the people has been said to be the voice of God; and however generally this maxim has been quoted and believed, it is not true in fact. The people are turbulent and changing; they seldom judge or determine right. Give therefore to the first class a distinct permanent share in the government. They will check the unsteadiness of the second, and as they cannot receive any advantage by the change, they therefore will ever maintain good government."

The great problem, then, which our fathers had to meet, was to satisfy if possible these different interests. They framed a constitution which was intended to prevent any one interest from prevailing completely over the rest. They worked out what has been called a system of checks and balances. In the words of Professor McLaughlin, they framed a government which could not "do things" as contrasted with one which could.

The Constitution
a com-
promise

There are four agencies in our national government: The House of Representatives and the Senate, which together are called the Congress; the President, and the Supreme Court. It is not provided that the rich shall elect one of these and the poor another, and yet it evidently was the expectations of the Fathers that as a matter of fact these four agencies would represent different interests. The House of Representatives would represent the mass of voters. The Senate, on the other hand, was to be elected not by voters directly but by the legislatures of the separate states. It was, therefore, supposed to represent the more conservative property owning class. At the same time, since every state whether large or small was entitled to two senators, the Senate would protect the interests of the smaller states against the power of the larger ones which would be felt in the House of Representatives, where the number of representatives from each state is in proportion to the population. The President, according to the original plan, would not be chosen directly by the people, but by selected representatives, called the Electoral College, who it was believed would be more thoughtful and conservative than the mass of voters. Finally, the judges of the Supreme Court were to be appointed by the President.

Checks
and
balances

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They would therefore be at least as conservative as he; and in any case the profession of law has always tended to make lawyers and judges conservative since they pay great attention to past decisions. Property owners were given direct protection in the constitution. One great class of property at that time was property in slaves and the Constitution provided that the slave trade should not be prohibited before 1808, and that runaway slaves who escaped into another state must be returned to their owners. There was also a provision that any direct taxes levied by the Federal Government must be in proportion to the numbers of the people and not in proportion to their wealth.

Majority
and
minority

What protection was given to the interests of the mass of the people who were not property owners? It was doubtless the assumption that in a democracy where the mass of the people had the right to vote the majority would get their way in the long run. The great mass would not need protection against the few; it would be rather the few who would need protection against the mass. The danger would be in hasty and unjust action by the majority. The makers of the Constitution were afraid that the majority would rob or oppress the minority under the powers of the government. They meant to make it impossible for the government to do anything suddenly. They meant to make it very difficult for the majority to do anything to which a minority objected. Yet they did not make this absolutely impossible. They provided for amendments to the Constitution. They made the process of amending the Constitution so very difficult that it has at times been regarded as practically impossible to secure an amendment. And yet no one can fail to see that in the century and a quarter since

1787 the popular interest has found ways to make itself felt in various lines not directly provided. The balance was not so one-sided as it may seem.

The Union of the Constitution was then a "more perfect union" than our country had known before. It was probably the most perfect union which could have been secured at that time for the conflicting interests. It was a union which has served marvelously well for the interests which at that time came within the vision of the Fathers. If we now once more feel in many ways the need of a more perfect union it is because we are facing new conditions which the men of 1787 did not and could not foresee.

A government which was formed to reconcile conflicting interests was an experiment, but the great value of union and coöperation soon showed itself. Freedom of trade between different communities had never been tried in the modern world on such a large scale. In the words of Daniel Webster:

"It is to that Union that we are chiefly indebted for whatever makes us most proud of our country. That Union we reached only by the discipline of our virtues in the severe school of adversity. It had its origin in the necessities of disordered finance, prostrate commerce, and ruined credit. Under its benign influence, these great interests immediately awoke as from the dead and sprang forth with newness of life. Every year of its duration has teemed with fresh proofs of its utility and its blessings. . . . It has been to us all a copious fountain of national, social, and personal happiness." (Second Reply to Hayne.)

The possibility of coöperation was also increased by the inventions which made possible better knowledge and easy communication. Steamboats, railroads, and

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Inventions printing presses, and later the telegraph and telephone, have brought closer union came to strengthen the bonds of union between the various sections of the country. The morning newspaper virtually makes it certain that people all over the country have at least some of the same ideas and think about some of the same matters at the same time every day. One of the wise provisions of the constitution was that Congress should have the power to establish a post office. At first the rates of postage were very high and people could not afford to write frequent letters or to have many newspapers. The great inventions have made the post office what is so well described in the inscription on the Washington Post Office:

INSCRIPTION ON THE WASHINGTON POST OFFICE

*Messenger of Sympathy and Love
Servant of Parted Friends
Consoler of the Lonely
Bond of the Scattered Family
Enlarger of the Common Life
Carrier of News and Knowledge
Instrument of Trade and Industry
Promoter of Mutual Acquaintance
of Peace and Goodwill
Among Men and Nations.*

Slavery
the
obstacle
to union

The great force which worked against union and for a time threatened to destroy it was slavery. In old colonial days slaves were held in all parts of the country, and in 1790 when the first federal census was taken, slavery existed in all the states and territories except Vermont, Massachusetts, and the District of Maine. In New York, New Jersey, and Delaware there were almost as many slaves in pro-

portion to the population as in Georgia and Kentucky.

But in most parts of the country slaves had been chiefly house servants or personal servants. A new epoch came when great cotton plantations in the lower South or Mississippi Valley proved the most profitable enterprise of the time. The plantation owners "increased their exports alone from \$25,000,000.00 in 1815 to \$250,000,000.00 in 1860. This gave them almost twice as great an income as all other exporters combined." As we have already noticed, the ordinance of 1787, which was passed without opposition from the Southern States, provided that there should be no slavery in the Northwest Territory. Thomas Jefferson hoped to provide in the new Constitution for the abolition of slavery, but the great plantation interests gained control of the Democratic Party and of the South. The Northern States, on the other hand, became increasingly opposed to slavery. They were building up industries on a system of free labor. Many believed that the increase of slavery would make it harder for the independent farmer and laborer to prosper. An increasing number of Northern people came to believe that slavery was wrong. The great Presbyterian, Baptist, and Methodist churches divided on the issue. The Northern churches condemned slavery and the Southern churches upheld it. One of the fairest statements as to the sincerity of both sides was that of Lincoln in 1854: "They (the Southerners) are just what we would be in their situation. If slavery did not exist among them they would not introduce it. If it did now exist among us we should not instantly give it up. I surely will not blame them for not doing what I should not know how to do myself." In this

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Webster's
plea

growing difference between the North and the South, leaders of the South began to insist upon liberty as against union. They stood for what seemed to them the liberty of their own part of the country to manage its affairs as it pleased. They feared that with the rapid increase of free territory the South would be out-voted. They wished, therefore, to leave the Union. The great advocate of union was Daniel Webster. His eloquent addresses did much to strengthen the passionate desire for the Union which had gradually been growing. In his great reply to Hayne he ended with the words which became classic and stirred a great depth of feeling for the Union. He prayed that his last look might be upon the flag of the Republic,

"not a stripe erased or polluted, not a single star obscured, bearing for its motto no such miserable interrogatory 'what is all this worth?' Nor those other words of delusion and folly, 'Liberty first and Union afterwards' but . . . that other sentiment, dear to every true American heart,—Liberty *and* Union, now and forever, one and inseparable!" (Second Reply to Hayne.)

Lincoln

But Webster, like many others of his day, did not see clearly that the Union could not be preserved by any words however eloquent so long as the cause of division was not removed. The foresight of Lincoln was more penetrating. He declared: "'A house divided against itself cannot stand.' I believe this government cannot endure permanently half slave and half free." It should have been possible to remove slavery without bloodshed. From a financial point of view it would have been comparatively a light expense for the government to purchase all slaves and free them. But at that time men could not reason calmly

and wisely. The Civil War was the outcome. And since the Civil War the United States has been a nation in a sense in which it was not before.

Few in the South would now wish to have two nations instead of one even if this were possible. The fact is that the great interests of trade, of common ancestry, and common purpose, are so strong that the country is naturally adapted for one great nation. The interests of each part are so bound up with the interests of the rest that all gain from union. The tasks which lie before us are tasks which we can only accomplish as a united people. Only through mutual help and coöperation can we do the largest things.

A united
people
can do
great
things

CHAPTER XXXVI

PRESENT PROBLEMS OF UNION

THE present problems of union arise in part from our inheritance and in part from new tasks with which the country is confronted. These are (1) union between different races, (2) union between different classes, (3) union for the great tasks of conservation of resources, improving health, and protecting the individual. In short, the need of union is to do together what we cannot do separately. In early times this meant chiefly defense against enemies; now it means chiefly control over nature, defense against disease, and finally defense against harsh or unfair treatment of one class by another.

(1) Race
problems

In the
South

It is hard to say whether the most difficult problem of our country today is the race problem or the labor problem. The race problem is probably as old as the human race itself. At any rate, as far back as we can go in history we find people of different tribes and races fighting with one another. We have seen that in savage society all of the same tribe or group stood closely by one another and practised blood revenge upon any other group in case of injury by some one of that group. When certain tribes or races, such as the Assyrians or Romans, grew strong, they set out to conquer all other peoples. In some cases they even exterminated those whom they conquered. In other cases they made slaves. In our country it was the desire of men to gain wealth and property which led

to the bringing in of negroes for slaves. So long as the negroes were in slavery there does not seem to have been so much race feeling against them. They acted as nurses, and housekeepers, and personal servants. In many cases they were greatly attached to those whom they served and, on the other hand, the whites felt strong affection for them. Many illustrations have been given of the devotion of each to the other. It has frequently been noted that during the Civil War the men of the South were almost as a rule away from their homes. The negro servants were left in charge of property and families, and were faithful to the trust. Moreover, it is an interesting fact that the negroes themselves owned slaves. No less than eighteen thousand slaves were the property of negro masters. There was no competition between white and black. Each had his separate sphere and remained within it. After emancipation the whole situation was changed. By the Fourteenth Amendment to the Constitution the negro was granted civil rights; then, by the Fifteenth Amendment, the right to vote. In many states there were more negro voters than white voters. Governments elected by the negro majorities were often extravagant and plunged the states into debt. Naturally those who had been for centuries slaves and without any training or education in self-government could not be expected to become at once intelligent citizens. Various other occasions for conflict arose. The habit of steady labor has been acquired by the white races through long development and under the influence of many motives—gain, reputation for thrift, and industry. The white man of today has very largely come to feel that labor is honorable, although large numbers of white men still regard any kind of manual labor as dishonorable and

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beneath a gentleman. The negro associated work with slavery just as the earlier gentlemen of the white race had associated manual work with slavery. Hence when he was freed, he in many cases thought it would be a disgrace to work as he had done. This made it very difficult for the Southern farmers to obtain help. Or again, the colored man might work for a time but leave just as the crop needed his attention, and thus cause great loss. For these and various other reasons there has been an unhappy condition of discord.

In the North

In the North the race problems have been of another kind. The early settlers in the country were very largely English. A considerable number of Scotch and Irish settled in the interior of Pennsylvania and along the upland and mountainous ridges extending southwest through Virginia and the Carolinas. There was also a German population in Pennsylvania which for many years used the German language and had little to do with the English-speaking neighbors. But the British stock in 1790 composed a little more than ninety per cent. of all the white population, the Germans less than six per cent., and the Dutch two per cent. English and Dutch had some race feeling. The New England phrase for something very outlandish or extraordinary was "That beats the Dutch." Better acquaintance soon overcame the trivial differences between these races. The great streams of immigration which have come to the country since 1840 have raised problems not so much of social unity as of industrial competition or political organization. The Irish began the great movement, driven from home by famine. A great German immigration was caused by efforts at revolution in Germany which were severely put down by the government. In recent years immigration has largely ceased

Northern Europe, and great numbers are coming Italy, from Greece, and from the Slavic races in southeast of Europe. Numerous Jews have come Germany and more recently from Russia. The immigrants scattered widely through the country the Germans, Scandinavians, and British very largely taking up farming land. The Slavs, Italians, etc., and Jews stay much more largely in the cities, so that the Slavs have gone in great numbers to mining regions.

The following table of the nationalities in New York in 1910, shows from how many strains our immigrants now come. The wonder is that so many different and groups can get on together at all.

THIRTEENTH CENSUS. POPULATION 1910

Nationalities in New York City, 1910

Foreign-Born White:

| | | Born in | |
|----|---------|--------------------------------|---------|
| a | 190,237 | Roumania | 33,584 |
| rk | 7,989 | Russia | 484,189 |
| nd | 78,135 | Scotland | 23,115 |
| id | 7,409 | Sweden | 34,950 |
| e | 18,265 | Switzerland | 10,540 |
| ny | 278,114 | Turkey in Asia | 6,160 |
| | 8,038 | " in Europe | 3,695 |
| id | 4,191 | Other foreign countries | 14,788 |
| ry | 76,625 | Canada—French | 2,844 |
| d | 252,662 | Canada—other | 23,228 |
| | 340,765 | Cuba and the West Indies | 5,990 |
| y | 22,280 | | |

Other Races than White:

| | | | |
|-------|--------|-----------------|-------|
| | 91,709 | Japanese | 1,037 |
| | 343 | All other | 18 |
| ie | 4,614 | | |

On the Pacific coast there has been little immigration from Europe, but after Chinese laborers had brought over to aid in building the railroads, vio-

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On the
Pacific
coast

Different
standards
of living

lent agitation arose against further coming of the Chinese. In recent years Japanese have come in considerable numbers, but at present, by agreement with Japan, Japanese laborers are not permitted to come to the country.

The present problems which are created by immigrants are very largely those of the standard of living. Most of those who have come in recent years have been accustomed to very meager expenditure. The Chinese who lives upon simple, inexpensive food is willing to do work for very low wages. The same is true of the newly arrived Italian, or Greek, or Pole. In the cotton mills of New England the native Americans were succeeded first by Irish, then by French, and still later by Poles, Syrians, and others. In New York and some other large cities, great numbers of Jews have found employment in the garment trades. The fact that many recent immigrants do not speak English makes it more difficult to organize them into labor unions. They tend to crowd together in their houses and thus lower their expense for rent. All this keeps wages down.

Politically the different nationalities have naturally tended to keep together. Men of the same nationality are very apt to vote for the same candidates and to belong to the same political party. The Irish have very largely belonged to the Democratic Party, the Germans and Scandinavians to the Republican Party. As newcomers in a strange country, they are often influenced much more by their feelings of sympathy with others of the same race than by the principles of the party, or by the question of which is the best man for the position.

What is likely to be the future of these race con-

flicts in North and South? The race conflicts in the North are the easier of solution. In the first place, immigrants rapidly learn the language and standards of the country. Children are ambitious for education. Young people imitate not only styles of dress but manners and customs. Workmen soon wish to have higher wages. Some think that this solution is sufficient. Others have believed that in order to preserve American standards of living and prevent such riots and violence as we have often seen in Pennsylvania, in West Virginia, and in New England, where large groups of foreign-speaking people have come into conflict with employers and sometimes with the officers of government, it is necessary to limit immigration or to establish a "minimum wage." It is urged that it is unfair to workingmen to have their wages continually depressed by newcomers. Measures have repeatedly passed Congress providing for limiting immigration by excluding those who cannot read and write in some language. Two such bills were vetoed by Presidents Cleveland and Taft. A third bill was enacted into law in 1917, despite the veto of President Wilson. Measures for fixing a minimum wage for women have been adopted in several states.

The problem in the South is undoubtedly more difficult. Difference in color adds to all the other reasons for separation. Yet there is much evidence that the worst period has passed. At any rate, certain lines of improvement appear. Under the influence and leadership of General Armstrong, Booker T. Washington, and their pupils, a different view of work has been gaining ground among the colored people. They have been made to see that the capable farmer or carpenter is respected. There has been an extraordinary increase

Proposed
solutions
in the
North

Improve-
ment in
the South

in the value of farms and other property owned by negroes. Property is, on the whole, a greater source of strength to the negro than the ballot. It promotes in the negro, as it has in the white man, sobriety, reliability, regard for the opinions of others. The great ideal which Doctor Washington tried to set before his people was that of pride in their own race and in its possibilities rather than an ideal of imitating the white man and measuring themselves entirely by his standards. There can be little doubt that such an ideal tends not only to self-respect but to harmony. Two persons get on very much better if each is content to be himself. The two races are different in many respects. It is not wise to ignore this. Differences between races may be compared with differences between sexes: men and women are different, but this does not mean that a man is inferior to a woman or a woman is inferior to a man. If colored people can come to take pride in their own achievements and institutions, this would seem one of the most hopeful first steps toward mutual respect.

(2) Capital and labor

In earlier times the difference between the interests of different parts of the country and then the difference between the interests of slave production and free production were the greatest obstacles to union; at present the differences between Capital and Labor are our most serious divisions. In the early life of this country employers and workmen knew each other well. They were of the same race, spoke the same language, grew up side by side in the same schools, and when industry and business were on a very small scale no very sharp separations appeared. The farmer and his "help" worked side by side. The foreman in the small factory might expect to become the mill-owner. There

were no such enormous fortunes as those of today.
No one was very rich. Some might be poor, but there
was no such thing as a "wage-earning" class.

At present there is a "wage-earning" class. In the great cities this class lives in a separate part of the city. Its children attend different schools from those attended by children of the employers. The Industrial Revolution is responsible for this separation. Politically it has not as yet been true that the "wage-earning" class has voted as a body. It has usually divided much more along race lines than by Capital and Labor groups. Yet it is not unlikely that in the future lines will be drawn more frequently between the interests of employers and those of wage-earners. The Socialist Party arose in Germany to represent especially the interest of the working class. In this country workingmen have as yet preferred to improve their condition by trade-unions rather than through a political party. It is worth while to see clearly what the two methods stand for.

The reason for some kind of union on the part of the laborers is evident. Capital is organized in great bodies. The individual laborer alone is in no position to secure any advancement in wages, unless in times of great scarcity of labor, nor to secure any adequate protection from the risks of modern machines and from industrial disease unless the employer chances to be unusually far-sighted or humane. The very organization of our business and industry in great corporations separates the owner from the workman and thus cuts off the natural ties of union which used to hold them together. There are two ways in which workmen have tried to even up their conditions. (a) By forming labor unions. (b) By forming a political party.

The two resources of working people

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(a) Trade-unions

The trade-unions are made up, for the most part, of the more skilled workmen. They aim to secure better wages, shorter hours, and better conditions for working, by making "collective bargains." A collective bargain is one in which a representative of the union agrees with the employer on a general rate of wages for all the men who do the same kind of work, instead of allowing each workman to make the best terms he can. In case the union has not been able to agree with the employer the chief reliance has frequently been a strike. When the employer has attempted to secure other workmen and go on with the business, there has frequently been violence. The root of the matter is, of course, that the workman cannot live very long without wages and often cannot turn to any other employment. Hence he becomes desperate when he sees himself in danger of losing not only his chance of increased pay, but his only means of livelihood, his "job," as well.

On the other hand, as unions become better organized and include more nearly all the workmen of a given trade, there is much less likely to be violence. Nevertheless within the past twenty-five years there have been many collisions between employers and workmen so serious as to cause great anxiety in the minds of thoughtful men.

(b) The political party

The other form of union which workingmen have adopted is the political party. This is not limited to skilled workmen but seeks to include all classes. Those who favor this plan claim that when Capital is fully organized in the great corporations, workingmen cannot hope to secure good conditions by bargaining. They claim that the capitalist always has an advantage because he is in no hurry to make a bargain, while the

workman cannot wait long. They claim further that strikes are less and less likely to succeed as Capital becomes more strongly organized. Hence they urge that the only way for the workingman to secure better conditions is through laws. And the only way to secure laws is through uniting in a political party. Some who hold this believe that there will never be a fair and just basis of work until the public manages all the great industries such as the telegraph, telephone, railroads, banks, and factories which make the necessities of life. This has been the view of some in the Socialist Party. Many not in the Socialist Party do not think it is necessary for the state to own and manage all these industries but do believe that the state must regulate them.

The capitalist, on his side, was at first very reluctant to recognize the right of men to combine at all. He often refused to deal with the unions and said he would deal with the men as individuals only. Some employers who took this position were sincere in thinking that this was a fair method. They wished to do what was right by the men. They simply did not realize that they had an enormous advantage. They did not appreciate that even if they wished to be fair, the workman might reasonably fear to complain of dangerous machinery, of long hours, or of low wages lest he be dismissed. The capitalist was apt to forget all this. Other employers might be less sincere. Many took the view that their business was their own and they might manage it as they pleased. They did not want any outsider coming in to tell them how they should conduct it.

It must be said also that some of the demands of unions have been irritating. In some unions there

is a definite rule as to how much work can be done in a day. A good workman is not allowed to do more than this even if he can easily do so. Unions have also sometimes resisted the use of machinery. On railroads it is claimed that the unions have often interfered with rules intended to make travel safe. If a man was careless, a railroad manager might think it necessary to discharge him in order to prevent accidents. It is claimed that unions have often interfered to prevent careless men from being discharged. The chief objections, then, to unions are that they are in some cases violent, that they have sometimes resisted improvements in machinery, that they have limited the amount of work that men should be allowed to do, and finally that they have sometimes caused strikes, to worry or harass employers when there was no just ground.

We are not attempting just here to say how far either side is right or wrong in all these points. We are simply noticing the reasons for the separation between classes. These differences will not be settled at once. Every American is likely to have opportunity to do something toward helping to settle them, but there is one principle which we can see clearly must be observed if we are to preserve unity and be one people. First, no one has the right to think only of his own interest or of the interest of his own class or group. We all have an interest in the great Union, the common life, the union which is more important than the private interest of any of us. For it is only through the Union—through the nation—that we have order, safety, peace, and liberty. May not a man conduct his own business as he pleases? Perhaps the best way to answer this is by asking another question. What is "his own business"? Of certain kinds of business, such

as railroads and warehouses, the Supreme Court has said that they are "affected with a public interest." They are so important for the general welfare that the public properly controls them. But is it not true that every business affects some one else than the owner? Certainly if a man has a machine shop which is dangerous to workmen, or if he conducts a hazardous business such as that of making powder, or white lead for paint, which is the occasion of accident and disease, he is affecting others. If men are maimed, or rendered ill, public charity may have to step in. If wages are too low to support men and their families in health and efficiency, the whole nation suffers. For an employer to take the position that he will not allow workmen to unite in order to deal with him on terms of equality, that he will have nothing to do with unions, and that he will resist any effort of the public to regulate his business, is to forget the larger public interest. It is not good citizenship.

On the other hand, the labor unionist has likewise or of at times forgotten his citizenship. It is, of course, very hard for the under dog in a fight to remember the rules of the game. The workingman has usually been the under dog. When he has resorted to violence, when he has beaten or killed non-union men, when he has dynamited buildings or bridges that were being built by non-union men, he has not been a good citizen. Despite bad conditions in our factories and on our railways, despite the fact that it has often been hard to get protection by law for the lives and health of workingmen, despite the backwardness of our government, in many ways, as compared with the governments of Europe, it is nevertheless true that our country has been on the whole the best which the workingman has known.

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It is also true, as all the most thoughtful leaders of the trade-unions profess, that the workingman can gain only through public sentiment. He must have the help of all. In other words, it is only through the power of the nation that he can receive just wages and proper protection to life and health. Of all classes in the community he has the strongest interest in the Union. The employer needs the state and nation and their law to protect his property; the workingman needs the state and nation and their law to protect his very life and liberty.

CHAPTER XXXVII

DEMOCRACY AS SELF-GOVERNMENT

DEMOCRACY is used in this discussion in two ^{Two meanings of democracy} senses: democracy meaning self-government and democracy meaning equality. We do not intend to use the word "Democracy" in the sense which is so common among us,—the name of a particular political party, as when we say that Woodrow Wilson was the candidate of the Democratic Party. In Greece, where the word was first used, it meant rule by the common people, the free citizens, as distinguished from rule by a king or by a few. Rule by a few was called oligarchy or aristocracy. Growing out of this usage is the meaning of democracy as self-government. But at the same time, besides its meaning of self-government or government by the people, it included also the second meaning, equality. Our Declaration of Independence was a great democratic document in both of these senses. It affirmed that all governments derive their just powers from the consent of the governed. This was democracy in the first sense. It also declared that "all men are created equal." The words of Abraham Lincoln at Gettysburg are often quoted as expressing both these aspects of democracy—"a government of the people, by the people, and for the people." For although the word "equality" is not used, the words "for the people" evidently mean, for the whole people, and not for some special class of the people. "For the people" implies, then, that all men

(1) Self-government

(2) Equality

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have an equal right to be considered, although, of course, it may not mean that all men are equal in all respects or for all purposes.

We shall consider these two meanings of democracy separately, and in the first place we may well ask, Why do the American people believe in democracy in the sense of government by the people?

Four
reasons
for self-
govern-
ment

Many reasons might be urged for rule by the people. Let us consider four. (1) No other kind of government is right, for no one has a right to govern another without that other's consent. (2) It gives a better government. (3) It makes people more intelligent and responsible. (4) It is less likely to plan and wage wars of aggression. We can see that it was the first of these reasons which was strongest with our forefathers; today we are putting more emphasis upon the last two.

(1) No
other gov-
ernment
is right

The first reason appeals to men who have been oppressed or treated unfairly by any government. As we saw in the earlier part of this book, in the clan or tribal life there was really a sort of self-government. The old men of the group handed down customs and decided quarrels, but the group did not think of them as really making laws. Frequently the old women would have as much influence in certain matters as the old men. Obedience to customs was not forced, but was given as a matter of course.

But in military life the chief came to the front, and if he were successful, became the king. He was often thought to be divine and his commands were sacred. Or if he was not regarded as divine, he was at any rate so strong that his commands were obeyed as law. It has been gradually and step by step that the people have gained any right of making laws in modern Eu-

ropean states. Because of the long, hard struggle which was still fresh in mind when the early settlers came to America, men prized the right to govern themselves. And though they did not at first object to a king, they did insist very strongly upon regulating their own affairs in all the ways which their original charters allowed. In their great Declaration they did not affirm a completely new principle when they declared that all governments derive their just powers from the consent of the governed. Philosophers had said many times that the right to rule came from the will of the people. Nevertheless, the Declaration was the boldest, strongest statement of this principle which had ever been made by the representatives of a whole people, and it made an epoch in the world. Many in Europe do not believe in this principle at all. They believe that certain kings or emperors have a divine right to rule. The American idea is that while the little child needs to be ruled by its parents, and the insane or criminal have to be cared for or restrained by others, no one class of people has a right to rule other classes. As Lincoln declared in his reply to Douglas, "No man is good enough to govern another man without that other's consent."

Two questions may come up at once when this is said. Did our Fathers think this applied to slaves? And does it mean that every one must consent to every law or to the government as a whole in order to make the law or government right? The answer to the first question is easy. No doubt our forefathers did not apply this to slaves. The second point is more difficult. One philosopher, Rousseau, thought that to make a government just there must be at the outset unanimous consent to form a government. But when

Why the
majority
should
rule

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forming the government, those who entered into it might agree unanimously that when the government had been established, a majority should rule. This would make a majority rule just and right because all had agreed to it originally. We now recognize that men do not make governments by unanimous consent. Much less does every one in a country agree to every law. Nevertheless, we do assume that people who live in a country accept the government as a whole. Where there is free discussion and a free ballot, we think that the choice of the majority is, on the whole, the only practical way to settle any question. If the majority does not rule, then the minority rules. In the long run, the majority would seem to be more likely to be right, provided that matters have been thoroughly and fairly discussed.

The
majority
must re-
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rights of
the
minority

But, on the other hand, it does not follow that a majority is always right. Nearly every great reform, every new principle of progress, begins with a few. At first these will be in the minority. It is often only after years of discussion that they can persuade the majority to adopt the minority view. But the majority is not only slow in adopting new ideas, it is also liable to decide matters selfishly. In such decisions it may be oppressive and disregard the interests and rights of the minority. It is for this reason that certain rights are secured by a more permanent form of law called a Constitution. We have seen how anxious the makers of the United States Constitution were to provide checks and balances to prevent the majority from interfering with the rights of the minority. Nevertheless, it is the American principle that, when they have fully thought things through, men are reasonable, and therefore that in the long run they have a right to make

their own laws and govern themselves. The different methods for voting and for passing upon laws by the courts are all intended to make sure that we act thoughtfully and in a reasonable way.

The second reason which has been given for democracy is that it produces better government. It is sometimes said that men know what is good for themselves. Bad laws come because rulers who do not know about things, or who are looking out only for themselves, make laws for other people. No one wishes to harm himself. Therefore, if all people are represented in making laws and in executing them, there will be no chance for either ignorance or oppression.

(2) It gives better government

This argument sounds plausible, but things do not always work as the argument supposes. Wise men may know how to manage their own affairs in a better fashion than any one else can manage affairs for them, but this is not necessarily true of the ignorant. In our large cities particularly we have not yet been able to obtain very good government. A group of people frequently vote for an alderman not because he is honest or intelligent, or because he will plan for the welfare of the whole city, but rather because he will find jobs for them or for their friends. Another group of people will try to have a man elected mayor not because he is the best man for the city as a whole, but because he promises to give them special favors such as franchises for street railways, or for gas or electric lighting, or profitable contracts in constructing water-works, supplying coal, and the like.

We have to confess too that what is really the will of the people is very hard to discover. The best we can say is that the will of the people will give good government only when the majority of the people both

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want good government and know how to get what they want. And yet the American people believe that in the long run these conditions are bound to come. It has great faith in Lincoln's saying, " You can fool some of the people all of the time, and all of the people some of the time, but you can't fool all of the people all of the time." Here again is the opportunity for the work of the good citizen in finding out the best methods of government and in getting these methods adopted.

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The third reason why we believe in democracy as rule by the people is that this makes people more intelligent, free, and responsible.

The great purpose of national life, the great purpose of America, is after all not so much to manage things as to help all its people to live the best life. Now to live the best life we must have efficient government, we must have capable legislators and judges, we must have good roads and good schools. But all these important things are not, after all, the most important. The most important thing is that every citizen should know what is wise and best and should try to do it. Some things can be told us and taught us by others. But the greatest lessons of life we learn only by deciding things for ourselves. We learn by our mistakes and failures sometimes even more than by our successes. A little child has to be taught at first many things which the race has been finding out through many centuries. He has to be taught what to eat and what to let alone. He is taught to be truthful and honest, to be fair and kind. But, in an important sense, no one is really taught these things by any one else. It is when we have to decide for ourselves that we really learn in a much deeper way. When I decide

for myself that I will cheat, I am deciding not only what I will do or learn, but what I will be. If I decide, on the other hand, to act squarely, I am making myself a "square" man. For no one of us is "ready-made." We are building ourselves, and the most important acts in building ourselves are learning and choosing.

Further, it is only when we have some choice in matters that we consider ourselves fully responsible. And to be responsible is the mark of a complete man. A child is not fully responsible, for he does not understand fully what he is doing; and besides, he is in part controlled by his parents. A weak, or careless, or bad man is not fully responsible; he does not stand up squarely to his acts; he may be careless about paying his debts, or may fail to carry out contracts, or to support his family. Then the law steps in and compels him to fulfil his obligations. A thoroughly upright and honorable man will be responsible for all his acts. He feels responsible for them just because they are *his*; and this, as we said, means that he had some choice before he performed them. So in government; if we are to be responsible, that is, to be full-grown moral persons, we must have a chance to decide what kind of a government we shall have. And, on the other hand, when we do have this opportunity, we must stand up and take the consequences. We cannot evade our responsibility. We cannot charge our troubles to a king or a "boss" or to any one but ourselves. For we have chosen our own rulers and are making our own laws. If we do not like the rulers or the laws it is our business to choose new rulers and make better laws. It is just this responsibility which we cannot evade or throw upon any one else that makes democracy a

for responsibility
involves
choice

great education in right living. If America had had an absolute monarch like the Czar of Russia (who freed Russian serfs by a decree in 1861), slavery might have been abolished very easily. But people would never have been led to think about it and to ask whether it was right or wrong. If some of our great cities could be governed entirely by the United States army, they would be cleaner, more healthful, more beautiful, and there would be less killing and stealing in them. Yet if the people never had to make any effort to have a good government, should we not lose something very important in life?

(4) It makes for peace

The fourth reason for self-government is that governments responsible to the whole people are less inclined to aggressive warfare and more likely to maintain peace and good faith. Wars have repeatedly been undertaken to add to the glory of a king and the power of a dynasty. Bismarck, in his *Memoirs*, recites how he tried to induce the King of Prussia to enter the war which resulted in the annexation of Schleswig-Holstein, by pointing out to the king that each of his ancestors had added something to the territory of Prussia.

France, under Louis XIV, Russia, under Peter the Great and his successors, undertook aggressive wars of conquest. Under democratic government, France has been increasingly peaceable and Russia marked its abolition of the rule of the Czar by declaring at once that it had no desire for conquest. The United States has increasingly valued peace. In the words of President Wilson:

“Self-governed nations do not fill their neighbor States with spies or set the course of intrigue to bring about some critical posture of affairs which will give them an oppor-

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tunity to strike and make conquest. Such designs can be successfully worked out only under cover and where no one has the right to ask questions. Cunningly contrived plans of deception or aggression, carried, it may be from generation to generation, can be worked out and kept from the light only within the privacy of courts or behind the carefully guarded confidences of a narrow and privileged class. They are happily impossible where public opinion commands and insists upon full information concerning all the nation's affairs.

"A steadfast concert for peace can never be maintained except by a partnership of democratic nations. . . . Only free people can hold their purpose and their honor steady to a common end, and prefer the interests of mankind to any narrow interest of their own."

CHAPTER XXXVIII

THREE OBSTACLES TO SELF-GOVERNMENT: CHECKS AND BALANCES; INVISIBLE GOVERNMENT; LONG BALLOT

IF democracy is so good a school for training people to be intelligent and responsible, how does it happen that we have so much bad government? It may seem that after more than a hundred and twenty-five years of self-government, the American people ought to be both intelligent and responsible. Several reasons may be given for the defects in our government. Probably no one cause will account for all of our difficulties. But before we attribute these difficulties to democracy, we need to recall that we have not always had self-government in any large degree. In particular, three obstacles may be noted which have prevented government by the people.

Checks
and
balances

As we have seen, men like Hamilton and Madison, who were prominent in shaping the Constitution, were very much afraid of government by the people. They thought it must be restrained. They provided a system of checks and balances. The whole scheme of requiring four separate approvals of a measure—by the House of Representatives, by the Senate, by the President, and in cases where any one could raise a question of constitutionality, by the Supreme Court—is admirably adapted to prevent anything from becoming a law unless all interests agree.

But the system of checks and balances did not pro-

vide any way by which the people could be sure of getting something done. It did not provide any means of holding any man or group of men responsible for carrying through any great measure and making it an effective law. Suppose that in a given year a large majority of the people wished to have the government build a canal or railroad. They might choose representatives to Congress who might pass a measure to that end. But the senators would not be chosen at the same time with the representatives. Because of the six-year term for senators, a considerable number of them would have been chosen two or four years before the time of which we are speaking. It might happen also that the particular states which were choosing senators this year would be opposed to the railroad; hence there would be very little chance of agreement between the Senate and the House of Representatives. Further, if the President were chosen as it was originally planned that he should be, he would not have been chosen by the people directly but by a small group of electors. These men might not have cared anything about a railroad and when selecting the President might have had in mind something quite other than his views on the railroad. Finally, the members of the Supreme Court might have been appointed ten or fifteen years earlier. They might all of them entertain a view of government which would, in their opinion, make the building of a railroad by the government a work not authorized by the Constitution. Now it might or might not be well for the United States to build the railroad. The point is that under the plan of government provided in the Constitution it would be almost impossible for the people to try it and find out.

The first great obstacle to self-government was set

No team
work

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Invisible government

Special interests

up by the Constitution itself. The other two obstacles to be considered cannot be laid to the charge of our ancestors. One of them is government by special interests, which has been called by Senator Breckenridge invisible government.

Government by special interests is not a new thing. The makers of the Constitution were afraid of it. The great slavery interest at one time controlled the Democratic Party; the great manufacturing interest has at times controlled the Republican Party. There is, of course, a sense in which control by interests is almost necessary. If people believe that manufacturing is important and that a tariff is necessary to make manufacturing flourish, they will, of course, elect persons who believe the same. Or if people believe that free trade is a better policy, they will naturally elect free traders. But in the case of such large policies as those of Protection or Free Trade, most persons who work for them believe sincerely that they are good policies not only for them personally, but for their part of the country, and probably for the whole country. When they discuss these policies before the people, they urge their acceptance on the ground that they will be for the general welfare. So, too, labor interests in recent years have asked for legislation providing shorter hours and greater safety. They ask these things primarily for the advantage of workmen, but, in the long run, for the good of all. They might say that just as the government protects its citizens against violence by robbery or murder, so it is a measure of justice to protect working citizens against injury from machinery and disease. Perhaps we may say that any interest which comes before the people openly and frankly has a right to present its claims.

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But the government by "special interests" of which we are thinking is not of this sort. It is the method practised by groups of persons, frequently working secretly, to get control of government for their own private advantage. They are not willing to come out frankly and say what they want. They know that if they should do this they would probably be defeated. It was a matter of course a thousand years ago for a king to capture a country for his own advantage and that of his army. He sometimes set up a claim that he had a divine right to it; but such a pretext was scarcely necessary. The American people have got beyond that. If a man should say boldly, "I want to be elected mayor, or governor, or senator, or President, in order that I may fill my pockets and give jobs to all my friends," the people would not stand it. He must at least pretend something better. Hence, although there have always been men and groups of men in America who have been seeking government for just such selfish ends, they have usually worked secretly. Two kinds of such groups have been specially prominent.

Secret groups

The first kind of organization is illustrated by the Tammany Hall activities of Tammany Hall at one period. This was a society established in New York City in 1789, the year of Washington's inauguration. At first its purposes were largely social and charitable. Later it became an important organization in civil politics. It gave special attention to the immigrants who began to arrive about 1850. About the same time a group of men, of whom William M. Tweed was the most conspicuous, got control of the society and used its power to put them into offices where they had charge of great contracts. The governor of New York, the mayor of

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New York City, several judges, and a number of other officers were from the "Ring," as this group of ruling spirits was called. They would make contracts for laying out streets or building public buildings, on the plan that the contractors should be paid much more than the work was worth. This surplus was shared with the Ring. A county court house was planned to cost two hundred and fifty thousand dollars. After three years a sum estimated at from eight to thirteen millions had been expended upon it and it was still unfinished. Most of the surplus went into the pockets of Tweed and his friends. The city debt increased eighty-one millions of dollars during two years and eight months. When people complained, Tweed asked, "What are you going to do about it?"

For a long time nothing was done about it. But finally the Ring was overthrown and Tweed ended his days in jail. How had it been possible for a band of plunderers to gain possession of the government? Was it because the people really wanted bad government? Mr. Bryce says:

"It was not such a democracy as Jefferson had sought to create and Hamilton to check that had delivered over to Tweed and to Barnard the greatest city of the Western World. That was the work of corruptions unknown to the days of Jefferson and Hamilton, of the Spoils system, of election frauds, of the gift of the suffrage to a host of ignorant strangers, and above all of the apathy of those wealthy and educated classes, without whose participation the best-framed government must speedily degenerate."

No other city has had so famous an organization as New York; but Philadelphia, Pittsburg, Chicago, San Francisco have been plundered by "rings" in much the same way and for the same reasons. Con-

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trol of government for private ends has been managed with special success in the great cities, where the more well-to-do classes, often called "good citizens," have been so busy making money or in other occupations, that they have taken little part in government; while the immigrants have wanted jobs or some sort of favors, and so have been willing to vote for any one who would get these for them, not knowing or caring just what the official might be getting for himself meanwhile.

The other great type of cases in which some special interest has controlled government is what has been called control by "Big Business." The railroads were the first to control state governments on a large scale, just as the railroads were the first great organization of capital. In no less than four states it was notorious for years that the legislature was under the control of the leading railway system of the state. In at least one of these states the decisions of the courts were also so uniformly on the side of the leading railway in doubtful cases as to make the charge plausible that the court was also controlled by the railways. Control of legislature and courts would of course not mean that the railroads determined all matters, but only the particular issues in which they were interested. In some cases this would mean that they wanted special favors, such as valuable franchises. In other cases it would mean that they wanted to prevent laws that might make expense or trouble for them.

Insurance companies have not attempted to govern on any such large scale as the railroads, but the famous investigation into insurance companies, made under the charge of Charles E. Hughes, showed that the companies had spent large sums of money at Albany to

influence legislation. In some cases, no doubt, they did this to prevent what is called blackmail. A corrupt legislator plans a scheme by which to levy upon an insurance company. He prepares a bill for a law imposing some heavy burden upon any such company in his state. Then he goes to the company—or waits for the company to come to him,—with a proposal that perhaps the bill will not pass if the company is willing to pay handsomely to prevent it from becoming a law. The company may choose to pay rather than incur the penalty which is threatened. A measure of this sort is sometimes called a “sandbagging” or “hold-up” scheme. But the insurance companies did not limit themselves to defeating such “sandbagging” measures. Their officers watched all measures introduced in state legislatures and favored or opposed them as they were favorable or unfavorable to life insurance interests. No one could question that an insurance company might properly oppose a bill which it believed to be hostile to its interests, just as any private citizen might oppose a bill which he thought threatened his own interests. The suspicious feature with regard to the action of the insurance companies was that so much money expended for this purpose was in the form of “confidential” payments for “legal” expenses. In one instance the general solicitor of the company expended \$100,000 in ways known only to himself. Contributions were also made to political parties in national campaigns. (These facts were brought out in testimony taken before the joint committee, appointed in the State of New York, to investigate and examine into the business and affairs of life insurance companies in the State of New York—1905.)

Besides railroads and insurance companies, other

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great interests which have sought special favors—in cities, the street railways particularly; in several states, the mining interests—have sought to influence elections, to secure the appointment of favorable judges, and virtually to govern the country for their own ends. They form what Senator Beveridge so well calls “the invisible government.”

This control of government by special interests is Bosses generally managed through party leaders, who are often called “bosses.” Bosses are of various grades. In a city there is a ward boss who knows the voters in his ward and passes around word as to whom they shall vote for. In return he finds jobs for them either with the city or with the street railway or with some other corporation that needs favors. The city boss controls enough votes in the city government to pass measures which are wanted by various interests. In return he receives contributions for the party organization. The state boss controls votes in the legislature. The railroads, insurance companies, coal or oil companies, which may want favors, give him money and he gives them votes. Usually he does not keep this money himself. He uses it to maintain the party, to carry elections. When we feel very indignant because the people are not governing themselves, we blame the bosses. As a matter of fact, it does not seem to be the boss who is so much to blame. He is simply one wheel in the machine. The blame seems to belong rather to two groups: the first, those who want to carry on government for their own advantage and seek special favors; the other, the great number of citizens who are too busy with their private affairs to take part in government. A democratic government is a splendid government in many ways, but it will not run itself. It needs much

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more time and thought than most people have been willing to give to it. In early days in this country, when there were no great chances for making money by special gifts from the government, there was not such great temptation. In recent years the prizes to be gained through getting control of some state or city government have been dazzling. It is said that when General Blücher, a Prussian officer who fought at Waterloo, visited England, he was taken up into the Tower of London. When he saw the great city, he exclaimed, "What a chance for plunder!" As we read the history of the Thirty Years' War, where the chief motives of campaigns seemed to be to capture and plunder cities, we realize how well General Blücher stated the old military point of view. A city is a great chance for plunder. In modern times the easy way to plunder has been not by an army but by votes. The city of New York has given away millions upon millions to groups of men. Other cities have given less amounts.

No need
for dis-
cour-
agement

No wonder that when there have been such prizes it has been hard for the people to maintain self-government. In early times, the struggle for democracy was against a king or a nobility. Now it is against the invisible government. We do not need to be discouraged. Now that we understand the case better, we are in a much better situation. Practices which were common twenty-five or even ten years ago are now condemned. The very fact that the invisible government is no longer invisible, but is seen and understood, robs it of power.

We must not think that the railway and insurance managers and other business leaders who have sought to control government have been especially wicked men.

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Many of them, when their methods have been exposed and denounced, have been greatly surprised at the indignation felt against them. Some have died broken-hearted. They were simply trying to gain profit and advantage without realizing how contrary their practice was to good government.

Besides checks and balances, and the invisible government, one of the greatest hindrances to self-government at present is the great number of offices which are filled by election. In a small town, where people all know each other, an election is a good way to choose officers, but in a state or a city it is impossible for most of the voters to learn about many candidates. Hence, when a large number are to be voted for the voter either has to depend upon voting the party ticket straight or else has to vote blindly. In some of the states, so many candidates are on the ballot that it is quite impossible to vote intelligently. At the formation of the state government, such officers as governor, lieutenant governor, and members of the legislature were provided for. As time has gone on other officers of various kinds have been added—secretary of state, treasurer, judges, superintendent of public instruction, and even clerks of courts. Counties and cities have numerous officers. One can learn something about candidates from the newspapers, but little is usually said about the candidates for the minor offices. At the last presidential election each voter in Chicago was called upon to express his choice for twenty-nine presidential electors, and for over fifty state, county, sanitary district, and city officers. Of course he need not bother himself about the presidential electors, for he could merely look to see whether they were for Wilson, Hughes, Benson, or Hanley. He also knew something

Long
ballot

about the candidates for governor; but as to the rest he probably knew almost nothing.

The natural result of a long ballot is that only the inside, or professional, politician knows what he is doing. To vote for fifty officers at one time is not really government by the people; it is government by the "machine." A very unfit candidate may be smuggled into office by this method. It deserves to be called "unpopular government" rather than "popular government."

The party
and the
President
as agents
of self-
govern-
ment

So much for the obstacles to self-government. What has been done to overcome these obstacles? The system of checks and balances has been largely deprived of its obstructive power by the rise of parties. Makers of the Constitution were afraid of parties. Nevertheless, those who thought alike, naturally came together and organized to get what was wanted. Those who wanted a strong government and wished to develop banking, commerce, and manufacturing, formed the Federalist Party. On the other hand, those who followed Jefferson in opposing manufacturing and encouraging farming, formed what was at first called the Republican but latter called the Democratic Party. This party in Jefferson's time was, in the words of Professor Dodd, "a party of radical idealists in this country, never likely to reappear—a party of peasant farmers led by a great peasant planter in a nation ninety-five per cent. of whom were peasant farmers." This party later came under control of the great cotton plantation and slave-holding interest. The Republican Party as we now know it was formed to oppose the spread of slavery. It gained control of the government in 1860 and carried through all its measures.

By electing the President and a majority of both

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houses of Congress, any party could overcome all the checks and balances except the Supreme Court. And in time the Supreme Court would also be made up of members appointed by the successive Presidents of a party which was able to retain control of the government. A final step in party development has been the change in the presidency by which the President has become the recognized head of his party. We may say that the party was a means of getting team play and the President instead of being, as was at first supposed, the wise and disinterested umpire, has now become captain of the team which carries the ball.

Further devices to secure more direct self-government are the Initiative, the Referendum, and the Recall. The initiative which has been used in Oregon for several years provides that if the state legislature fails to enact a law for which there appears to be a general desire, the measure may be submitted to a direct vote of the people on petition of a certain percentage of the voters. The referendum provides that when a legislature has passed a measure of a certain kind this measure must be referred to a popular vote before it can become a law, provided that a certain percentage of the voters petition that this be done. Constitutions have customarily been subject to a referendum. This plan extends the scheme to other measures. The recall is applied to officers who incur the displeasure of the people. This provides that on the petition of a certain percentage of the voters, a new election must be held at which the officer shall be a candidate for approval or for rejection in favor of another. This does not differ in principle from a plan of frequent elections, but it is more drastic.

The check which is now most often felt is the action

Initiative
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of the courts in declaring certain laws adopted by legislatures to be unconstitutional and therefore void. This is a peculiar feature of our government. The court does not attempt to say whether it approves of the statute as wise or not, it only decides whether the statute is in accord with the Constitution of the state or of the United States. The Constitution is the fundamental law. It has been adopted by the whole people. If a statute contradicts the Constitution it should not be regarded as a law, but the question is, does the statute really contradict the Constitution, or only seem to? Who is to decide? Very early the courts in some states decided that they were not bound by laws which appeared to them to contradict the Constitution. The famous decision which has served as a precedent ever since was that of *Marbury vs. Madison*, in which Chief Justice Marshall of the United States Supreme Court declared: "It is emphatically the province and duty of the Judicial Department to say what the law is. . . . If two laws conflict with each other, the courts must decide on the operation of each."

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position

For many years this power of the courts did not excite great opposition because it did not conflict with the will of the people in any great number of cases. But in recent years a new situation has developed. The increased use of machinery, the dangers of city life to health, the evils of the sweating system, bad housing, and other consequences of our factory system have led to a general movement for protecting working people. On the other hand, the enormous growth of corporations and trusts has called out laws to restrict their power. Both kinds of laws have often been declared invalid. The will of the people has seemed to

be directly blocked by the courts; there has been criticism and even anger and distrust.

This difference between the decisions of the courts and the will of the people is being met in three ways: First, by a more careful study of laws before they are enacted. Second, by discussion and criticism of decisions when these appear to be based on narrow views of law or upon ignorance of social facts. Abraham Lincoln criticized severely the Dred Scott decision of the Supreme Court as "doing obvious violence to the plain, unmistakable language of the Declaration," and former President Taft has said:

"The opportunity freely and publicly to criticize judicial action is of vastly more importance to the body politic than the immunity of courts and judges from unjust aspersions and attack. Nothing tends more to render judges careful in their decisions and anxiously solicitous to do exact justice than the consciousness that every act of theirs is to be subjected to the intelligent scrutiny and candid criticism of their fellow-men." (*Present Day Problems*, 291.)

The third way is to amend the Constitution in order to make laws, which the people desire, constitutional. To amend the Constitution of the United States has been so difficult as to be regarded as practically impossible. One set of amendments to secure civil rights was passed almost immediately after the adoption of the Constitution, but no other important amendments were adopted until the period following the Civil War when the thirteenth, fourteenth, and fifteenth amendments became law. Recently the sixteenth amendment granting Congress the power to collect income taxes, and the seventeenth amendment providing for the direct

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election of senators have been adopted. When the people clearly make up their minds that a reform is important, they can usually secure it.

The second obstacle, control of the government by business interests, has been in part met by discussion and publicity, and in part by substituting control of business by the government for control of government by business. As we have seen, political power was first to organize. Organization in business has had such a tremendous growth and achieved such extraordinary powers, that its attempt to control government was not surprising. At first there was no proper standard for regulating business, even in case the government wished so to do. But the Interstate Commerce Commission and other commissions of like character are now working out methods of control which are based on careful study of earnings and therefore can be made fair to all parties. We cannot, of course, predict that there will be no further control by invisible government, but we may hope that right standards for carrying on business will finally come to be recognized as they have in many departments of government which were at first influenced by selfish aims.

The plan proposed to remedy the evils of the long ballot is the short ballot. The principle of this is first, that only those offices should be elective which have to do with the policy of the government and are important enough to attract and deserve public interest; second, that very few offices should be filled by election at any one time, so as to permit the people to find out what sort of men they are voting for.

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CHAPTER XXXIX

DEMOCRACY AS EQUALITY—GOVERNMENT FOR THE PEOPLE

THE finest and largest meaning of democracy is that all people should share as largely as possible in the best life. This is a view not so much about government itself as about what government is for. It is indeed closely connected with the idea of self-government, because, as we have said, one of the greatest factors in the best life is to be free and responsible,—that is, to govern oneself. But there are many other things besides self-government which belong in good life. Education is one of them. Enough wealth to keep us well-fed, well-clothed, and warm, to provide us comforts, and to enable us to share these with our friends, is another. Recreation to give our minds and bodies free opportunity for change and growth, and to keep us from growing old too fast is another. Good books, good music, beautiful pictures, noble buildings, the opportunity to enjoy trees, open fields, and splendid mountains, are for many among the choicest of goods. "If I had two loaves of bread," said Mahomet, "I would sell one and buy a hyacinth to feed my soul."

As to all these good things, two very different views have been held. The one is that these best things should be for a few. The other is that they should be for all. The first view is that of Inequality. The second view is that of Equality. The first view was

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called in ancient times the view of "oligarchy," or "aristocracy." The second view was called "democracy." These words do not mean exactly the same as inequality and equality. They mean government by a few (oligarchy), government by the best (aristocracy), and government by the mass of the people after taking out the "few best" (democracy). Yet the words inequality and equality were very soon connected with these theories of government. For it was taken as a matter of course that if the few (whether they were those of special birth or those who were wealthy) were governing, they would govern for their own advantage; while if the many, who were usually poor, were governing, they would govern for their own advantage.

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quality

Why should any one wish to limit good things to a small class? We know that persons often are selfish; but most persons would not wish to set selfishness up as an ideal or as a general policy. Most men would say that it would be a fine thing if all could have health, education, and means of enjoyment. Yet there have always been certain persons who have held strongly to the theory of inequality. Some of them have been very eminent. How can we explain it? There are perhaps four principal reasons which have been in their minds.

1) Men
ffer in
pacity

The first reason would be a very good one against certain forms of the theory of equality. It is that men are very different in their capacities. Some men, it is claimed, are never capable of enjoying books, music, good clothes, travel, study; and especially it is claimed that they are not capable of governing themselves. It is foolish to waste these goods upon them. If they try to govern themselves they make a mess of it. They cannot manage a business or a farm and make a success of it; how absurd to suppose that they can

manage the business of the whole country or of a city! They should be given the necessaries of life in some way. The older way was by a system of slavery. The modern way should be by daily wages, sufficient to keep them in comfort. The great philosopher of Greece, Aristotle, the man who laid the foundations of most of our various sciences, sincerely believed that some men are not capable of directing themselves and therefore can best be cared for as slaves. Of course he did not mean that they should be cruelly treated. He thought such slavery would be best for both classes.

This we may call the theory of natural inequality. Men are unequal by nature. God has made them so, or, at any rate, they are born so and it cannot be helped. In early times this theory of natural inequality was generally connected with clannishness. Greeks thought that other people were "barbarians" and not so good as Greeks. Jews thought that the Gentiles were not so good as Jews. Christians thought that Pagans or Heathen were inferior. Normans thought that the English were not gentlemen.

The second reason why men have held the doctrine of inequality has been the old prejudice of the clan added to the military fact of conquest. This is rooted very deep. It seems to show even among animals; a dog that has whipped another carries his head proudly and the whipped dog puts his tail between his legs. The small boy who has triumphed over a boy from another gang feels much like the successful dog, especially if he had an easy victory. He feels that the other boy isn't quite in his "class." Peoples have felt much the same way. In history we read over and over again of how one race or group conquers another and reduces it to a lower class even if it does not make its

(2) Rac
prejudice
and
conquest

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people slaves. When the Normans conquered England they took the view that every Norman was a gentleman and that the English as a class were "simple" or "common." The word "native" was used to mean a serf. In ancient Greece, the Spartans, a very warlike group, conquered the older inhabitants and ever after kept them in a state of inferiority. They called them Helots and looked upon them with great contempt. Sometimes the difference in color falls in with difference in fighting ability. The negro race have never been very good fighters. This has no doubt added to the prejudice against them felt by some. On the other hand, the American Indians were, in most cases, remarkable as fighters, and hence a certain romantic admiration for their bravery has tended to counterbalance prejudice arising from difference in color. The Japanese stand higher in general respect among Europeans since their war with Russia.

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ough
all

The third explanation for the view of inequality is that in the past there has usually not been "enough to go around." In all human history until the Industrial Revolution the great mass of men had to work hard and long in order to get the bare means of existence. It had not been possible for many to have books or leisure, to enjoy comforts, or to have education. It is only the recent inventions and the more efficient way of working by coöperation that make possible so much education and so many of the comforts of life as we can now enjoy. In early times the only way in which any one at all could have leisure was that some one else should support him. In Athens the citizens who made the beautiful buildings and statues, who wrote the tragedies and comedies and song, who carried on the government, who laid the foundations

our sciences, did not expect to do much manual work. They might have farms, but labor of most sorts was performed by slaves. The early settlers of America had little leisure. They worked from early until late, not because any one was oppressing them, but simply because it was impossible to get a living any other way. If there isn't enough to go around, may plausibly be said it is better that some one could have leisure for writing poems, painting pictures, studying, and teaching, than that there should be no books, no pictures, no science, and no schools.

A fourth reason that some offer for inequality is that to strive for prizes stimulates men to do their best. And we cannot give prizes without both recognizing differences and making these differences conspicuous. Recognition of differences and admiration for excellence are very widespread both in savage and in civilized life. Among the American Indians a man who had performed special feats of courage or strength could wear an eagle's feather. In the army the lieutenant, captain, colonel, general, have each a distinctive uniform. This of course partly in order that it may be seen at once whether they have a right to command. But it is partly also a reward for distinguished service. In the field of education those who graduate from college receive "degree," such as "bachelor of arts." Those who go on with further study receive further degrees, such as "doctor of medicine" or "doctor of philosophy." These are in part to show whether one is competent to be a physician or a teacher, but they are also regarded as honors. In the earlier days in all our public schools spelling was usually taught orally, and it was a custom that when one missed a word he should go to the foot of the class. To be at the head of the

(4) Prizes stimulate

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spelling class was an honor which made many a boy or girl work hard to master the difficult words.

Now it may be said that good clothes, a fine house, an automobile, and all the other attractive things which money can buy, are prizes. The power which a railroad president or banker or manufacturer has is a prize. It stimulates men to work harder if they have such a prize to look forward to. It stimulates invention. It makes men keen to discover the most efficient ways to carry on their business. In other words, it is a part of the general competitive idea. We cannot have prizes and competition without inequality.

Here, then, are four reasons for inequality. Let us now hear what is to be said for equality.

And first as to facts. Are men naturally unequal or naturally equal? The Declaration of Independence says flatly, "We hold these truths to be self-evident that all men are created equal." Is this so? We have seen that the view of "natural inequality" is that men are naturally unequal. Isn't this common sense? Is it not evident that if you take any dozen persons you meet on the street they are very different in ability, to say nothing of comparing Sir Isaac Newton or Shakespere or the author of *Job* with an Esquimaug or a native Australian?

Before answering this question we notice that although in early days Jews and Greeks despised others, it was yet a Jew who wrote "God created man in his own image," without making any distinctions. It was a Greek who wrote, "We are his offspring," and a Jew with Greek education that wrote, "He [God] made of one every nation of men." It was a Roman, Cicero, who said over and over, "Men are equal," "There is nothing so like, so equal, as we all are, one with an

View of equality

(1) Men are not so unequal

ther. Reason is common to us all, we have the same
enses; we differ in knowledge, we are equal in capacity
o learn; we are similar not only in ability to know
hat is right but in our ways of going wrong."

It was an English philosopher, Hobbes, defending
he power of the king, who said:

" Nature hath made men so equal, in the faculties of the
ody and minds; as that though there be found one man
ometimes manifestly stronger in body, or quicker in mind
han another, yet when all is reckoned together, the differ-
ence between man and man, is not so considerable, as that
ne man can thereupon claim to himself any benefit to
which another may not pretend, as well as he. For as to
he strength of body, the weakest has strength enough to
ill the strongest, either by secret machination, or by con-
ederacy with others that are in the same danger with
imself."

The church maintained that in the sight of God the
ittle differences which appear so important to us do
not count. But it was the philosopher, Locke, who
was nearest to the men who wrote our Declaration of
ndependence. He describes a state of nature which is
irst a state of freedom, and then

" A state also of equality, wherein all the power and
jurisdiction is reciprocal, no one has more than another,
here being nothing more evident than that creatures of the
ame species and rank promiscuously born to all the same
dvantages of Nature, and the use of the same faculties,
should also be equal one amongst another."

We can see, then, that Jefferson and his fellows had
many authorities to uphold their claim that " all men
are created equal." But none the less we ask what
did they mean by it? They probably meant chiefly that
men are at any rate not divided into two classes, one

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of which has a right to rule the other. They probably meant to protest against the view that just because a man is of royal blood he has a divine right to rule other persons, without any regard to whether he is wiser and better than they. They went on to urge that governments were formed to secure rights for men. They meant this as a contrast to the view that certain men, just because of their birth, have a right to govern others. They probably had no intention to deny that some men would be better than others for rulers. They had not long before chosen Washington to be general. They did this because they thought he was the best man, and no doubt they thought that in this respect he was not exactly equal to all the rest. In his discussion of the Dred Scott decision, Lincoln has told what he thinks the authors of the Declaration meant:

"They did not intend to declare all men equal in *all* respects. They did not mean to say that all were equal in color, size, intellect, moral developments, or social capacity. They defined with tolerable distinctness in what respects they did consider all men created equal,—equal with 'certain inalienable rights among which are life, liberty, and the pursuit of happiness.'"

So much, then, for the claim of equality by nature. It means, first, that men are not so different that any one class can claim the right always to rule another, or to be supported by another, or to claim for itself everything above the necessities of life. It holds that men are equal in rights to at least life, and liberty, and happiness, even though they may not always find happiness in just the same ways.

The second motive which has led men to uphold the doctrine of inequality was stated to be: It is natural

» despise outsiders and conquered peoples or races. (2) Race
The advocates of equality claim that although this
explains why men *have been* treated as inferiors, it is
not a good reason why they should be so treated now
and in future. Many natural ways of acting—for ex-
ample, taking revenge upon those who injure us—we
have replaced by better methods. Race prejudice and
class pride are natural, but they are crude and stupid
attributes. And as for conquest in war, this was no
doubt at one time the most prominent mark of ability.
But now when we need so many kinds of talents—in
vention, science, art, music; and so many moral qual-
ities—such as honesty, fairness, and kindness—it
shows a narrow mind to despise others merely because
they are physically stronger than they, or can shoot
straighter, or even because we are braver in battle.
There are other ways of showing courage and power
than by killing people.

The third argument is also losing its force. Once, (3) Inven-
is true, there was not enough to go around. The
only way to have art and music and schools, the only
way to have beautiful houses and temples and all the
things which make civilization as contrasted with
savagery life, was by having the many support the few
without sharing in any of the good things. Now,
however, with the great inventions of machinery, of
steam and water power, and with the great increase
in production which comes when men work together,
there is no need of this older method. We are now, it
is claimed, producing enough to keep us all in decent
comfort if we could only "pass prosperity around."

The fourth reason given for inequality was that it (4) Not
a stimulus, and men need prizes in order that they all care
may do their best. This is flatly denied by some. for prizes

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They claim that it is all wrong to be thinking of prizes. For example, in school, who is the real scholar, the boy who is trying to work the problem simply to beat the other fellow, or the boy who has a real interest in mathematics? We can scarcely think that a very great scholar cares very much about getting ahead of some rival. Newton wanted to discover the truth about the movements of the earth and planets. Pasteur wanted to discover what was spoiling the grapes, and in this way began those investigations which led to the general theory of disease. Lazear and Reed wanted to find out the causes of yellow fever in order to save life. Surely this desire to know is a far nobler motive than the desire to get ahead of some one else and to win some kind of a decoration, whether it is an eagle feather or a particular kind of title or dress. It is claimed that this desire for some kind of prize is rather childish or savage desire. We should get over this desire as we grow up and become more civilized. Kipling has put it finely from the point of view of the artist:

And only the Master shall praise us, and only the Master shall blame;
And no one shall work for money, and no one shall won for fame,
But each for the joy of the working, and each, in his separate star,
Shall draw the Thing as he sees It for the God of Things as They Are!

—Kipling's *L'Envoi.*

Positive values of equality

So far we have merely answered arguments for inequality. Are there any positive arguments for equality? It is no doubt true that impulse for power and mastery is deep rooted in men. Is there any correspond-

g impulse for equality? There certainly is. Not
ly do we resent the attitude of superiority in another;
e secretly are uncomfortable ourselves if we take this
titude persistently. We cannot talk freely with
thers unless there is give and take. If we are to be
friends with others, we must drop out all thought of
uperiority or inferiority and meet on a common level.
ne of the great satisfactions in belonging to a club
that the members, as members, are all equal. One
man may be richer than another or more learned, but as
club members they have equal privileges. No one in
club is permitted to give tips to servants, because
this would tend to give some members better service
han others. Again, equality before the law is the first
step toward justice. The great religions have pro-
claimed that all men are equal in the sight of God.
s sons of God, men are brethren. A great religious
acher held up as the ideal a community in which
here should be neither Greek nor Jew, bond nor free.
ood society, friendship, clubs, law, and religion, all
' them recognize the value of equality. What is the
uth of the matter? Which party is right? Which theory is
the better guide to conduct, inequality or equality?
uality? Were our fathers right in declaring for
quality, or were they mistaken? Is this doctrine of
quality a part of our national ideal, or must we give
up? Let us look more carefully at each of the four
oints.

First, as to the facts. There is no doubt that men
we find them are very unequal. But we have learned
ow to look a little deeper and ask, "Why?" Two
nswers can be given. (1) They are born so. They
herit ability or weakness and there is nothing to be
one about it. Some stocks or races are very much
Why men
differ in
capacity

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superior to others. (2) The great difference in ~~men~~ ^{di} is due not so much to their birth as to what happens ^{to them} after they are born, due to their home, their food, their schools, and all the other opportunities or misfortunes which come to them. Professor Cattell has found that of one thousand leading men of science in the United States, one hundred and thirty-four were born in Massachusetts, three in Georgia, and that for each million of population Massachusetts and Connecticut have had a hundred scientific men of high standing; the states of the Southern seaboard but two. No one can doubt that this means simply that boys in Massachusetts and Connecticut have had a better opportunity than boys in Carolina or Georgia. The Edwards family, which has included a great number of conspicuous men, is a notable example of the fact that to be born from a sound and capable stock gives one a great advantage. Certain other stocks or strains are undoubtedly defective. But there are also a great many sound stocks or strains which have thus far produced few eminent men. In this country leaders are constantly coming up from the ranks. This tends to show that ability is more widely distributed than is sometimes supposed. Opportunity or the lack of it is very often what decides whether a man shall be eminent or remain as one of the great mass of people. The great point, however, is not whether men are now exactly equal or ever will be. The fundamental idea of democracy is that *every one ought to have a chance to show what is in him.* And the striking fact is that we cannot find out who the really great men are unless we give every man a chance. The fault with the old method of government for the benefit of a few was not only that it was selfish, but that it

did not select those who were really the best. If we think that men are born unequal in the sense that one class is born better than another, we shall trouble ourselves little about the supposedly inferior group. But if we think that every man should have a fair and equal chance, we shall be in the way of finding out who our real poets, inventors, scholars, and leaders are.

As to the second point, it is no doubt true that we naturally do feel some superiority if we have won a victory. It is true that men are apt to think their own family or race or nation is better than that of the stranger. Is this wrong? We can see, if we look back a little, that this had a real reason in early times. It was the way in which the family or the clan or the tribe kept close together. And when men were forced to fight or be reduced to slavery, it was a fine trait to fight bravely. It went along with this that men despised those who were conquered. But while this feeling of class may have served a very useful purpose once, it is very stupid to continue the same feeling when it is no longer a help but a hindrance. It is stupid to act now as if we were still living in savage times. What men needed then was defense and separation. What men need now is to know each other, to trade with each other, and especially to find out the very best that there is in their neighbors. The only way to find out what is best in a man is to treat him as your equal. You will probably find that while you may be superior in one thing he is superior in something else. In present society we get on by coöperation, by taking down bars between different countries, by exchanging goods and ideas, by being friendly and ready to learn. It is give and take. Democracy is a better road to progress than exclusiveness.

Coöperation
better
than
exclusiveness

We may pass over the third point as not needing further discussion, and come to the fourth, which is perhaps most important of all. Does democracy tend to reduce all men to a dead level? Does it level down instead of leveling up? Do men need the stimulus of rivalry to do their best work? Or can we depend upon joy in work, love of truth, and love of our fellow-men to bring out the best that is in men, and so produce the best society?

When rivalry is needed There is no doubt that in some kinds of work men need no prizes except the joy in the work itself, and no motive but the love of their fellow-men. On the other hand, it is true that some kinds of work are very disagreeable. Professor William James, who was a very keen observer, said, "Nine-tenths of the work of the world is done by it [rivalry]. We know that if we do not do the task some one else will do it and get the credit, so we do it." If all our work were of the kind Kipling was thinking of in the poem from which we quoted, if it were painting, or writing, or making tasteful garments, or craftsman-like products, or cooking and serving meals skilfully and artistically, and if all this were done with good conditions and with short hours so as to call out one's best energies without fatigue and exhaustion, then we should have less need of rivalry. If we, like Lister, who discovered aseptic surgery, could all see that our work was benefiting mankind, saving life, and preventing suffering, we should no doubt most of us find joy in doing it. But a great deal of our work does not seem to benefit others directly. It is a long way from the coal mine to the family which is kept warm by the miner's use of pick and shovel. It is difficult for the workman in the steel plant to see that he is helping the world. He can see

only the metal and machinery and hear only the roar of the blast in the great furnace. He does not, like the physician or the teacher, deal directly with the people whom he serves. We probably cannot give up rivalry yet, but it is necessary to make the rivalry the right kind, if it is really to help progress and not hinder it. Rivalry hinders progress if it is of the selfish type, and if it fails to stimulate the right kind of activity.

Suppose a man on the baseball team has made a home run or pitched a brilliant game. Do we not all feel a thrill of admiration for such a brilliant play, which leads us to cheer? We should feel that there was something wrong with us if we didn't want to honor the man. But suppose that in a race one man is sick and another has had no training. A strong, well-trained man would see no sport in winning from them. Much less would any man find honor in winning from another by a foul or by tripping him. It would not promote fast running to give prizes to men who win in these ways. In the game of life, as we play it at present, a great many are sick through no fault of their own; a great many have not been well-trained; they have had to leave school early, they have never had good surroundings at home; they have not had the kind of education which fits them to succeed. There is not any honor in winning against them. And the more important point is that it does not promote best ways of doing business or of progress in any line, if we give prizes simply to those who succeed without making sure that it is a fair contest and that all who enter are in equally good condition.

Equal opportunity is the necessary condition for progress—to get the benefit of prizes and honors we must first have equal opportunity. Just as in the

When
rivalry
hinders
progress

race true honor comes from winning against those who are well-trained and thoroughly "fit," so in life true honor comes from winning where every one has a fair chance. *Inequality is of benefit only if we first have equality of opportunity.*

Where all have a fair chance no one grudges success to the best man. Indeed the whole joy of the sport is in having the best man win. Every one who goes into the game feels that the game, after all, is a bigger thing than that he himself should win. It would not be a game at all if one were to win for any other reason than because he was the best man. In life, we feel no sting in seeing another man surpass us if we think that he is really more capable of doing what needs to be done. The good soldier did not feel it any disgrace to have Washington or Grant or Lee hold higher rank than himself. The army could win only if it had the best man at its head. But if the common soldier had thought that a man was appointed general because his grandfather had done something important, or because of favoritism, he would have been discouraged. Our country needs leaders in business, in government, in education, and in all lines. In this respect we are like an army. Hence we must have inequality. But we need to select our leaders and give our prizes and honors on the basis of real fitness. It may be that we shall have to change the rules of the game of life in order to make sure that those shall succeed who really deserve success. We have had to change the rules of football often in the last twenty-five years to prevent dirty play. Certainly it is true that we need to give every one a fair chance to compete on equal terms in living. Then we shall come nearer to what our fathers meant to have this country stand for.

CHAPTER XL

PROGRESS AND TASK OF DEMOCRACY

GREAT progress in democracy regarded as equality has been made since America was first settled. For convenience, we may separate different kinds of equality, and speak—in order—of equality before the law, equality in voting, social equality, equality in business opportunities, and equality in education.

Equality before the law means that when a man is tried for any offense, the law asks only, "What have you done, and is this contrary to the law of the land?" It does not ask, "Are you a noble or are you a 'common' man?" In early times, as we have seen, it was a much greater offense for a serf to kill a lord than for a lord to kill a serf. This kind of inequality had been done away before America was settled. Men had, in theory, gained equal rights to life and liberty and to protection of property. The very idea of a law is that it is a general rule for all cases, and this requires that it shall treat all alike; this makes law a great force for democracy. Why, then, should many feel that they do not have an equal chance before the law? There are two main reasons. First, laws are sometimes made for the benefit of some special class instead of for the benefit of the whole country. Employers believe that some laws are for the benefit of workingmen as a class, and workingmen think that some laws are

(1)
Equality
before
the law

Class
legislation

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for the benefit of employers as a class. As we have already seen, a law may be made primarily for some one class in order to benefit the whole country in the long run. This would be true of child-labor laws. But there is a general suspicion of "class legislation," and there is good reason for this suspicion. We need to be very sure that to protect the particular class is for the interest of the whole country.

Legal expense

The second lack of equality before the law is due to the need of hiring expert lawyers to present a case. It is easy to see that if one party in a suit has a very good lawyer and the other party a poor lawyer, the first party has the better chance of winning. Originally, a man who was accused of crime was not allowed to have any counsel or lawyer to represent him. We have outgrown that, but there is a great difference in lawyers, and usually the best lawyers require large fees. A judge is said to have remarked to a disappointed contestant in a suit, "How can you expect to get justice in this court if you don't have a good lawyer?" The general theory is that it is fairest to both sides to let each present his case as strongly as he can. Then the judge and jury decide. But this method evidently does not always result in a right decision. The problem of securing more perfect equality before the law is not yet solved. It is one of the "unsettled questions" for the citizens and especially for the lawyers to work out.

(2)
Equality
in
voting

In England, as we have seen, only a very small part of the people could vote for members of Parliament until the great change in qualifications which was made in 1832, and it is still possible in England for a man to vote two or three times in different parts of the country, if he owns property in these different districts.

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One of the demands of English democracy at present is "one man, one vote."

In the American colonies there were two kinds of qualifications for voting. The first kind included certain very necessary requirements of residence, age, and being "freemen." Those who voted in a town ought to live there, ought to be old enough to judge wisely, and ought to be responsible members of the community—a freeman meant substantially the same as a citizen. The Hartford freeman of 1703 must take an oath to be faithful to Queen Anne and to the government of the colony:

"And whosoever you shall give your Vote or Suffrage touching any matter which concerns this colony, being called there unto, you will give it, as in your conscience you shall judge may conduce to the best good of the same without respect of persons, or Favor of any Man, So Help You God. (Bishop's *History of Elections in the American Colonies*, pp. 260-61.)"

A second type of requirements was imposed in most states. Under it came, in various states, religion, morals, property, race, color, and sex. Most qualifications of this sort have been removed. Religious qualifications were in general the first to be made and the first to disappear. Thus, in Massachusetts Bay, in order to vote it was at first necessary to belong to the Puritan Church, but in 1691 no rule is found in the Charter which would limit the right to church members. In many of the colonies Catholics were not allowed to vote; Quakers and Jews were excluded in others. By the time of the Revolution practically all religious qualifications had disappeared.

Religious qualifications

Property qualifications were established early and

Property
qualifica-
tions

lasted longer than religious qualifications. In Virginia, for example, all inhabitants could vote until 1655. After this there were various requirements in the colony and the state, rising as high, in 1736, as one hundred acres of uncultivated land or twenty-five acres cultivated. The property qualification was not abolished till the middle of the nineteenth century. In the New England colonies there was at first no property qualification, but from about the middle of the seventeenth century requirements of landowning or of other property were general. The highest requirement was probably that in Rhode Island, where "a freeman must be a freeholder of lands, tenements, and hereditaments to the value of four hundred pounds, or an income of twenty pounds a year. In South Carolina the provision was that none should have a vote for members of Parliament "that hath less than fifty acres of freehold within the said precincts," and this fifty-acre qualification was followed in eight other states. Mr. Frederick Cleveland, who has studied these qualifications, believes that they were imposed in most cases by the charters. They appeared in New England about the time when the royal commission was appointed to secure uniform qualifications for electors. After the Declaration of Independence, practically all the original states had property qualifications. But beginning with Maryland in 1810, closely followed by New York in 1821 and Massachusetts in 1822, these were gradually abolished. South Carolina kept its requirement until 1865. In some cases taxation took the place of property. It was thought that those who had to pay taxes, and only those, should have the right to vote, but this qualification, too, has been largely given up. The new states to the northwest had few, if any, restrictions.

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In They were far more democratic than the older states.
The influence of the frontier was felt in this as in so
many other ways.

Restrictions on the basis of color naturally went
along with slavery. In all the colonies there were
among the early immigrants some "indentured serv-
ants." These were not slaves, but men who were
held to work for a certain number of years. Such
servants were not allowed to vote, whether white or
black, but there was no colonial law in the North to
prevent any free negro from voting. In the South,
slavery was always a bar, and twenty-three states lim-
ited voters to "white male citizens." The Fifteenth
Amendment to the Federal Constitution, adopted in
1870, abolished this qualification of color. It reads:

Color
restrictions

"The right of citizens of the United States to vote shall
not be denied or abridged by the United States or by any
state on account of race, color, or previous condition of
servitude."

Equal
suffrage

The restriction of voting to males was a matter of course in the early history of the country. From the very nature of the state in early times, women would scarcely be thought of as belonging to it, for at first the nation was a band of warriors. Its purpose was conquest. Later it enforced order and governed trade, but it had practically none of the duties which would especially interest women, so long as the earlier division of labor between men and women continued. In the early part of the nineteenth century, along with the growth of democracy in other lines, agitation began for woman's suffrage. The claim was at first based almost entirely upon the idea of an equal right. Those who sought the ballot for women felt that to be deprived

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of the ballot was a stigma. It seemed humiliating to be classed with slaves, minors, criminals, and idiots. The Western States have shown again the influence of the frontier, for they have been far more radical in granting suffrage to women than the East, although in school elections most of the Northern States have woman's suffrage. Arizona, California, Colorado, Idaho, Kansas, Montana, Nevada, New York, Oregon, Utah, Washington, and Wyoming have granted suffrage to women. Some time ago Illinois granted partial suffrage to women, and she has recently been followed in this by a large group of other states.

It is noteworthy that arguments for extending the suffrage to women have changed in emphasis. It is now maintained by the advocates of suffrage that on the one hand government, and particularly city government, is doing so many things which were formerly under home control, such as disposal of waste, regulation of health, milk, food, education, and protection of children, that women have a duty to take part in government. And again, it is claimed that as women themselves have been obliged to leave home so largely and enter into business life and factories, they are more immediately concerned with government than in earlier times. The case is now discussed not so much on the basis of equality of rights as upon that of equality of needs and duties.

(3) Social equality
The early settlers of the country brought with them many of the Old World customs and ideas as to social rank. Some of these were soon modified by life in a new country. The man who could shoot straight or chop down a tree with strong and sure strokes was certain to be respected. Nevertheless, many of the old distinctions died hard, especially in the region near

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the coast. In New England, pews in church were assigned by a committee appointed to "dignify the meeting-house," that is, to seat each family in its proper position. The names of Harvard College students were printed in the catalogue according to their social rank. In New York, many great families had been given large tracts of land. The heads of these families were looked up to almost like the lords of the manor in England. Pennsylvania, outside of Philadelphia, was more democratic; but in the South, Virginia and South Carolina were settled by English gentry to a considerable extent, and the large plantations kept up social distinctions. Professor McLaughlin quotes from the *Life of Devereux Jarrett*, who lived in Virginia in the middle of the eighteenth century:

"We were accustomed to look upon what were called *gentlefolks* as beings of a superior order. For my part, I was quite shy of *them*, and kept off at a humble distance. A *perriwig*, in those days, was a distinguishing badge of *gentlefolk*,—and when I saw a man riding the road near our house, with a *wig* on, it would so alarm my fears, and give me such a disagreeable feeling, that I dare say, I would run off, as for my life. Such ideas of the difference between *gentle* and *simple* were, I believe, universal among all of my rank and age. But I have lived to see a vast alteration, in this respect, and the contrary extreme prevail. In our high *republican times*, there is more *levelling* than ought to be, consistent with good government. I have as little notion of oppression and tyranny as any man, but a due subordination is essentially requisite in every government. . . . In theory, it is certainly superior; but in practice it is not so. This can arise from nothing so much as the want of a proper distinction between the various orders of the people."

The original settlers who brought these class distinctions were largely English. A new set of immi-

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grants in the middle of the eighteenth century, Scotch, Irish, and German, were more democratic. They came from poorer classes in the Old World, and they settled, not by the seaboard, where it was easier to keep Old World ideas, but on the frontier, in the wilderness, where it was natural to forget old distinctions and make a new beginning. The following quotation from Professor Turner's famous address on *The Significance of the Frontier in American Life* applies to all lines of the growth of democracy, but it is peculiarly appropriate to social class distinctions:

"The wilderness masters the colonist. It finds him a European in dress, industries, tools, modes of travel, and thought. It takes him from the railroad car and puts him in the birch canoe. It strips off the garments of civilization, and arrays him in the hunting shirt and the moccasin. It puts him in the log cabin of the Cherokee and the Iroquois, and runs an Indian palisade around him. Before long he has gone to planting Indian corn and plowing with a sharp stick; he shouts the war cry and takes the war scalp in orthodox Indian fashion. In short, at the frontier the environment is at first too strong for the man. He must accept the conditions which it furnishes, or perish, and so he fits himself into the Indian clearings and follows the Indian trails. Little by little he transforms the wilderness, but the outcome is not the old Europe, not simply the development of Germanic germs, any more than the first phenomenon was a case of reversion to the Germanic mark. The fact is that here is a new product that is American."

The Revolution was a great force for democracy. When men had to get together for common defense and fight side by side for years, class distinctions suffered. And the great ideas of equality and self-government, which the Declaration of Independence had presented, could not fail to have a general effect. In

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Virginia, after the great Declaration had been adopted, Jefferson entered his state legislature and induced it to pass several measures of a democratic sort. First, was the doing away with entails. An entail is a particular form of transmitting property. If a man gives his son a piece of land without any restrictions, this would be called fee-simple; if he gives it to his son and his son's heirs and to their heirs, this would be a limited gift. It would be given in "fee-tail." In this case the son would have no right to sell the land, because it had been given to his children as well as to himself, and the children would have no right to sell it; it would have to stay in the same family. Hence, an entail would tend to keep the land in the hands of the same families from generation to generation, and so to keep up class distinctions. Another part of Jefferson's program was to abolish "primogeniture," that is, the rule that the oldest son should inherit all the landed property, instead of having it equally divided among all the children. Primogeniture, like entail, tended to keep up class distinctions. Abolition of slavery and provision for public schools were other items in Jefferson's scheme, but these he was not able to carry through.

It was, however, the great growth of the country to the New West which swept away the old family distinctions. Indeed, in the frontier towns it was often considered a breach of etiquette to ask what a man's name had been before he came West. All that was asked was that he should behave himself while there. The pioneer set a higher value upon what a man could do than upon who his grandfather had been.

But while one set of forces has been breaking down New old class distinctions, a new force has been at work to problems introduce a different sort of class distinctions—the

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force of the Industrial Revolution. In early days there were a few wealthy men among the great landowners and planters. George Washington was one of the largest landowners. It is very instructive to see at Mount Vernon the various buildings that were necessary for a large estate. Besides the "mansion" was the office, the carriage-house, the kitchen, the milk house, the meat house, the ice house, the wash house, the butler's house, the porter's lodge. The growth of great cotton plantations made a separation not only between the master and slave, but also between the rich planter and the poor white. But, since the Civil War, it is the great growth of manufacturing, transportation, and commerce which has been the chief factor in separating people into classes. It is not the mere difference in wealth between the capitalist and the laborer; it is partly the difference in race and education and manner of life. Our classes are not fixed as they are in Europe. Nevertheless they exist. City life practically compels the poor to live in a region where rents are low. This keeps the poor together. The rich live together in another part. The poor live close by the factory, where its smoke and often its smells are a constant depressing influence. The rich owners can afford to live at a distance and usually do so. This is a strongly undemocratic force.

Democracy
in
organized
labor

On the other hand, a new democracy has been born from another aspect of the Industrial Revolution. Just as the workers have learned union, so they have learned equality. For the association of such a great number of workers in factories and shops has brought them to feel that, among themselves at least, there must be equality. Sometimes this has taken the form of an equal wage, but it almost always has involved some

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sacrifice on behalf of the ablest workmen. These could usually get higher wages for themselves if they would not trouble themselves about the affairs of their fellows. But they have felt that the welfare of the working class as a whole was more important than their own individual success. This democracy of labor has by no means been complete. Unskilled workmen have frequently gained little by the efforts of the more skilled who have formed labor unions. The problem of lifting the unskilled to a better position by education, by organization, or by other means, is one of the great problems of democracy at present.

Equality in business opportunities became a serious problem when the railroads came to be the great means of transportation. Until then there were, to be sure, sometimes private toll roads and toll bridges, but there were also public highways and canals, and one merchant could get his goods transported for him at about the same rate as his neighbor. The railroads introduced a new power. They could make a cheaper rate to one city than to another, or to one merchant than another. They could give passes to some and withhold them from others. In 1869 the Supreme Court of Iowa held that a railroad was private property and so could act as it pleased. But complaints of business men that they were not having an equal chance with their rivals led Congress, finally, in 1887, to establish an Interstate Commerce Commission to regulate railroad rates and secure fair play. At first this commission had small power, but in 1906 it was given power to fix the minimum rate, and in 1910 it was given still greater power. It has worked toward equality of opportunity. Other measures to restrain monopoly and unfair com-

(4)
Equality
in
business
opportunities

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petition, and thus maintain equality of opportunity were enacted by Congress in 1914.

(5)
Equality
in
education

Present
task

We have already spoken of education as one of the main conditions of liberty. It is also a need of democracy. America has been more democratic in this field than in some others.

As we trace the growth of democracy we can see one great change in emphasis. There has been a nearly constant movement away from the old ideas of inequality which grew out of military conquest, and differences in birth between classes. The first steps of democracy were to rise above these long-time barriers. The great declarations of rights were directed against old privileges. They proclaimed to favored classes, "You are no better than I." This was a necessary first step.

But to say that men are equal doesn't make them so. The great task of the present day is to *make good in fact* what our fathers claimed in words or cherished as an ideal. And, despite all that has been done to advance democracy, a great task remains. We have seen that some insist that inequality is necessary for progress. Yet few, if any, in America will object to equality, if it means leveling up and not leveling down. What is feared by some is that democracy must always mean leveling down. It is urged that people do not want expert leaders, that they will prefer for high office a man who claims that he is no better than the average rather than one who knows how to govern. This is doubtless sometimes the case. But the objection is a survival of the old and outworn fears of early days. True democracy means, not leveling down, but leveling up. Few, if any, in this country will object to giving every child the opportunity of as good an education as he can profit by. Few, if any, will object

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to growth of intelligence and improvement of the standard of living of all men. Even from the point of view of greater wealth and prosperity, the more enlightened employers are coming to recognize that the cheapest and most ignorant labor is sometimes not the best. But, in a larger view, this country is committed to a great enterprise. It is making a great venture. It is trying to prove that democracy is possible. It is a nation "dedicated to the proposition that all men are created equal." It is dawning upon us more and more that to make men equal is not a task to be fulfilled on battle-fields. War can, at best, do away with burdens laid on men by others. It cannot remove the inequalities due to defective laws, to poverty, to ignorance, to vice, to bad influences, and to want of courage and high purpose. To deal with these sources of inequality is the greater task.

CHAPTER XLI

THE UNITED STATES AND OTHER NATIONS

Why the
nation?

ONE man alone could not live nobly and well. One family or clan could not get very far toward living a comfortable, free, and full life. It needs a larger group to provide many of the good things which we have. Our food, our clothes, our tools, our books, our laws which protect us, all require that many should coöperate, that is, work together. A nation is a group of people, large enough to make these and other good things possible; it is made up of people who are enough alike to live under one government.

In earlier times kings with armies would conquer many peoples and bring them under one empire, that is, under one command. Egypt, Assyria, Babylon, Persia, Macedonia, Rome, one after another conquered all the peoples near them, and many distant peoples. These conquered peoples spoke many different languages and did not unite with each other very intimately. However, the empire kept them at peace and so helped trade and made it possible for men to study, to learn, and discover many of the secrets of nature. They built beautiful buildings, made statues, painted pictures, composed music, and wrote books. But empires did not favor liberty and democracy. A nation made up of people who speak one language and have common interests and common sympathies is a better kind of union than the old empires. It is be-

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cause we believe that our country stands for liberty, union, and democracy that we love and revere it.

But the full benefits of union and coöperation cannot be obtained if these are limited by national boundaries. Just as a clan or small group of people shut away from other people would not progress far, so a modern nation cannot get on well by itself. Some nations could not live at all without exchanging goods with other people. England is a rich nation, but it cannot raise enough grain and meat to supply all its people. It would starve, with all its money, if it could not get grain from other countries. The United States is so large a nation, and has so many kinds of soil and minerals, and such different climates in different regions, that it would not starve. But it would suffer in other ways. It needs the beautiful things made in France and Belgium, the chemicals of Germany, the fine cloth of Great Britain, the coffee and cocoa, and flowers from Holland and South America. It needs the music, the books, the ideas that other people produce. In many ways we are living as neighbors to the whole world. We can send letters to nearly all parts of the earth where men live for less than it used to cost to send a letter a few miles, or than it would even now cost to hire a boy to carry a message half a mile. We can send money safely; we can exchange with any who have what we want and want what we have. It is clear, then, that the real business of living will include living in a world with other nations and not merely living in America.

The great question is, Can the people of the world have the liberty and self-government which our nation and some other nations enjoy, and still have the advantages of union on a larger scale? Can nations combine

Why
inter-
national
relations?

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in certain ways and yet keep liberty, self-government, and their own individual life? We think it would be a great loss if all peoples were alike. If Europe were all French, or all German, or all Russian; if the Chinese and Japanese were to imitate our clothes and manners, we should lose much variety. Much as we love America we should not wish all the world to be Americans. What policy has the United States toward other nations? Does the United States stand for anything in international affairs?

America's
three
policies

Three policies have been followed—not always, but for the most part. First, not to meddle in European politics. This seemed at first the safe way to preserve our own liberty. Second, not to permit European nations to interfere with republics in either North or South America, or to plant new colonies here. This policy has been followed partly to protect our own liberty, partly to protect other nations in their liberties. It is called the Monroe Doctrine. Third, to cultivate peace with other nations, especially by the method of arbitrating disputes instead of going to war. The first policy was laid down in Washington's Farewell Address; the second in President Monroe's Message to Congress in 1823; the third was urged in Washington's address and carried out by a number of treaties providing arbitration, and by many other acts, notably the provision after the War of 1812 that neither Canada nor the United States should have warships upon the Great Lakes.

1) Wash-
ington's
principle
of non-
inter-
ference

Washington issued his Farewell Address at the close of his presidency. In it he first laid down the great principles which the nation should observe, and then the particular rule of not interfering. The general principles—"Observe good faith and justice toward

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all nations. Cultivate peace and harmony with all"—we shall consider a little later under the third head. The rule of non-interference was stated in these words: "The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have as little political connection as possible." Washington points out that European nations have many interests and occasions for differences with which America has nothing to do. He urges, further, that we should not meddle with what does not concern us. This was of course more clearly the case a hundred years ago, when it took much longer to cross the ocean, when there were no cables connecting all parts of the world, and when the United States had very little trade as compared with what it has at present. But even so recently as in 1907 the representatives of the United States made the following reservation in signing the first convention of the Hague Peace Conference:

"Nothing contained in this Convention shall be so construed as to require the United States of America to depart from its traditional policy of not intruding upon, or interfering with, or entangling itself in the political questions of policy or internal administration of any foreign State; nor shall anything contained in the said Convention be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions."

This policy of non-interference has been wise. At first our country was so weak that even if it had tried to interfere in affairs of European nations it could have done little good; it was so far removed by the ocean that it could not keep informed; and finally when there were so many disputes about who should be king, about the method of preserving the

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balance of power, it would have injured the cause of liberty and real union if we had mixed in European quarrels. But even before our entrance into the great war, the question was raised by many whether we could continue the policy of isolation. On the one hand, it was evident that our trade and other activities were connecting us closely with Europe and Asia. On the other, it was urged that we had a duty in promoting liberty and justice which required us to have political relations with other nations. In the past it may have been our first duty to guard our own liberty; the time had come, it was felt, when it was our duty to help guard the liberty of others. The war brought a decisive answer to this question and has changed us from spectators to participants.

(2) The Monroe Doctrine

The second policy, the Monroe Doctrine, was a step in the direction of guarding the liberty of others. It opposed interference by European powers with any governments in either North or South America, and further declared against any new colonization in this half of the world. The occasion for the announcement of the Monroe Doctrine was this: A number of the colonies in South America had declared their independence of Spain. Several of the European powers were considering some plan of aiding Spain in reconquering these colonies. President Monroe, in a message to Congress in 1823, made the following statement: "We owe it, therefore, to candor and to amicable relations existing between the United States and these powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European we have not interfered and shall not interfere."

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But with the governments who have declared their independence and maintained it, and whose independence we have on great consideration and on just principles acknowledged, we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny by any European power in any other light than a manifestation of an unfriendly disposition toward the United States."

This was the first part of the Monroe Doctrine. The second part also is stated in the same message—"that the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers." There are certain reasons why this second part may come to be of greater importance than it has ever been. The past few years have seen a great expansion of several of the European countries. Africa has been practically all divided up between Great Britain, France, Portugal, Germany, and Belgium. Important settlements have been made in China by several of the powers. There has seemed to be no limit to the amount of territory which some of these countries have desired to colonize or control, and since Asia and Africa have now been occupied, it is quite probable that if it were not for the attitude of the United States some of the European powers would make new colonies in South America.

There have been two occasions on which the United States has brought forward this Monroe Doctrine. The first was immediately after our Civil War when France was notified that we considered it contrary to our policy that the government of Maximilian should be supported in Mexico by a French army. France

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withdrew her troops and Maximilian was overthrown. The second occasion was when a dispute arose between Great Britain and Venezuela over the boundary between British Guiana and Venezuela. The United States government notified Great Britain that this case came within the scope of the Monroe Doctrine and that the United States would not permit any European country to forcibly deprive an American state of the right and power of self-government and of shaping for itself its own political fortunes and destinies. As the question raised in this case did not seem to fall under the original meaning of the doctrine, the position thus taken by the United States threatened to strain friendly relations between the United States and Great Britain; but fortunately the matter was peaceably settled.

Necessary
changes
in the
Monroe
Doctrine

So far it might seem that the Monroe Doctrine was entirely one of friendliness for South American countries and of protection of them; but it can be easily seen that it has possibly another side, for it seems to assume that the United States has something to say about South America. When all the South American countries were young and weak this might not have called out any objection; but now that several of them have become strong, they are rather inclined to resent this claim on the part of the United States. And there is a further danger. Suppose a European power has difficulties with some American country over the payment of debts or other injury to European citizens. If the United States will not let the European countries interfere, must it not then assume some responsibility for debts and injuries? President Roosevelt seemed to assume that it should. He declared:

"If a nation shows that it knows how to act with decency in industrial and political matters, if it keeps order and

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pays its obligations, then it need fear no interference from the United States. Brutal wrong-doing or impotence which results in the general loosening of the ties of civilized society may finally require intervention by some civilized nation, and in the western hemisphere the United States cannot ignore its duty."

It is easy to see that this might come to mean that the United States would be a sort of policeman for the whole American continent, and this might easily involve us in trouble; hence some have urged that we ought to drop the Monroe Doctrine. Others suggest that instead of attempting to carry alone the responsibility of American liberty we coöperate with other American peoples in an effort to maintain peace and independence for all. Such coöperation was illustrated in the recent mediation between the United States and Mexico when the Argentine Confederation, Brazil, and Chile coöperated to make a peaceful adjustment.

President Wilson, in an address to the Pan-American Conference, restated our conception of the Monroe Doctrine:

"There is no claim of guardianship or thought of wards, but instead a full and honorable association as of partners between ourselves and our neighbors, in the interest of all America, north and south. . . . All the governments of America stand, so far as we are concerned, upon a feeling of genuine equality and unquestioned independence. . . .

"The moral is, that the states of America are not hostile rivals but co-operating friends, and that their growing sense of community of interest, alike in matters political and in matters economic, is likely to give them a new significance as factors in international affairs and in the political history of the world. It presents them as in a very deep and true sense a unit in world affairs, spiritual partners, standing together because thinking together, quick with common sympathies and common ideals.

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Separated they are subject to all the cross currents of the confused politics of a world of hostile rivalries; united in spirit and purpose they cannot be disappointed of their peaceful destiny."

The third policy was marked out in the great words of Washington's Farewell Address: "Observe good faith and justice toward all nations. Cultivate peace and harmony with all."

(3) Good
faith and
justice
to all

As regards "good faith and justice," it would be pleasanter for American citizens if we could forget our dealings with the Indians. "Good faith," as applied to the dealings of one nation with another, means particularly keeping treaties, for a treaty is a contract or agreement made with great care and in a solemn manner so as to bind both sides as strongly as possible. Justice means respecting the rights of others as if they were your own. It forbids taking away property by force or by tricks when one has no right to it. Any strong people, when dealing with a weaker people, needs to consider justice. At the same time it is easy to see that it is much easier to observe good faith and justice toward people who are at about the same stage of civilization as we are. For both sides then understand each other better; they can put themselves more easily in the other's place; they sympathize more strongly with what the others claim as their rights.

Failure
in good
faith
toward
Indians

In the case of the Indians the United States always recognized that they had a "right of occupancy." That is, although the Indians did not have a system of owning land so that they fenced off farms or lots and kept written records of every change of ownership, they yet had regions in which they and their fathers had fished and hunted. They "occupied" these forests

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and rivers, and the villages where they stayed. The early settlers made bargains with them for tracts of land, and later the states and the United States made treaties with various tribes to exchange their hunting grounds for other lands or for money. If a few Indians occupied a great tract of land it is clear that it would benefit more people if the land should be cultivated and made to feed a million people instead of a hundred. It was right to compel the Indians to give up some of the land they were occupying, provided they were taught how to live on less land. But, unfortunately, for a long time little was done for the education of the Indians. When treaties were made with them it was of the highest importance that these should be kept. Some white men did not think so. They did not hesitate to seize land which the government had granted to the Indians. If the Indians objected there would soon be a quarrel, and if the Indians attacked the white settlers this would be made the excuse for a removal of the Indians.

A commission appointed by President Grant in 1869 to examine Indian affairs reported:

"The history of the Government connections with the Indians is a shameful record of broken treaties and unfulfilled promises. The history of the border white man's connection with the Indians is a sickening record of murder, outrage, robbery, and wrongs committed by the former, as the rule, and occasional savage outbreaks and unspeakably barbarous deeds of retaliation by the latter, as the exception.

"Taught by the Government that they had rights entitled to respect, when those rights have been assailed by the rapacity of the white man, the arm which should have been raised to protect them has ever been ready to sustain the aggressor."

It is no wonder that a writer who had studied the records of our dealings with the Indians called her book *A Century of Dishonor*. For although the old military idea of honor is that the only very dishonorable thing is to be weak or afraid, there is another idea which makes it dishonorable to break your word, or to treat a weaker person unjustly. President Grant began a better way of dealing with Indians. Schools were encouraged. A particularly outrageous violation of a treaty with the Ponca Indians in 1879 aroused public feeling and associations were formed to aid the Indians. Unscrupulous individuals are still constantly aiming to defraud them. They frequently seek to do this by laws cleverly designed, so that they may outwit the Indians in a legal way. But those who believe in justice and good faith are stronger and more awake than formerly. Many of the Indians who have been educated are now helping the rest to understand and defend their rights. What is perhaps more important, many of the Indians have learned to farm, to raise cattle, to live in the white man's way, and so to gain more respect from those who did not have any scruple against cheating or robbing them when they lived so differently. It is the highest test of a strong man or a strong nation to be just to the weak.

In dealing with other nations it may be fairly said that we have for the most part observed good faith and justice. In deciding whether we have always done this it is not entirely safe to trust our own judgment. In a business transaction it often occurs that one man thinks he has observed good faith, whereas the other man in the transaction thinks differently. Such a case can be brought before an impartial court and decided. In the past there has been no way to compel a nation

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to come before a court; so many cases are left undecided. After a long time, when the heat of strong feeling on each side is over, historians can usually reach a conclusion. But in any given case it is hardly safe to judge ourselves without first hearing whether other peoples have anything to say. Perhaps the four cases in which the action of the United States has been criticised most severely are (1) the Mexican War; (2) the war with Spain, and soon after with the Filipinos; (3) the controversy with Colombia over the Panama Canal Zone; (4) the question of Panama Canal tolls.

In the case of the Mexican War many Americans Mexican
War protested at the time. They believed its motive was to secure territory for the extension of slavery. In his memoirs President Grant, who had himself been a soldier in that war, said of it:

"I was bitterly opposed to the measure (annexation of Texas) and to this day regard the war which resulted as one of the most unjust ever waged by a stronger against a weaker nation. It was an instance of a republic following the bad example of European monarchies in not considering justice in their desire to acquire additional territory."

It has been defended on the ground that states secured from Mexico as the result of the war,—California, Arizona, New Mexico, Utah, Nevada—have had a far happier history since than they would have had under Mexican rule. This is no doubt true, but it does not make the war just. It is quite possible that a man who breaks into the house of a gambler, or a miser, or a rich idler, may make a much better use of the money than would the owner, but this is not enough to justify

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burglary. Joseph was sold into captivity by his brothers, and it turned out well in certain respects for all; but this did not make the brothers' act a good one. It seems probable that historians will look upon the Mexican War in much the same way.

The war with Spain

The war with Spain was very different. The two chief causes were the unhappy conditions in Cuba, and the sudden sinking of the United States ship, the *Maine*, in Havana harbor. There was a genuine desire to help the Cubans to liberty and prosperity; there was also a sudden resentment when it was generally supposed that the *Maine* had been sunk by some Spanish agency. In the case of Cuba it seemed as though Spain had proved itself unable to give peace and happiness to the island. And the fact that Cuba was not made a part of the United States possessions but was set free to govern itself went to show that our interest in it was not selfish. The later war with the Filipinos was not so simple. People in the United States were not agreed as to its good faith and justice. One American general was retired from active service and reprimanded by President Roosevelt because of an order to "kill everything over ten." The testimony before the Senate Commission showed about all the kinds of horrible things that occur in a war between peoples of different races. On the other hand, the American government of the islands promoted education, brought about great improvement in health, and is helping trade and agriculture. At first some Americans were carried away with the idea of having an empire in the Pacific, and gaining great wealth from the Philippines, but this was not the sober thought of the American people. There is a steadily growing purpose to make the Philippines an independent state when they are capable of ruling

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emselves and of keeping their freedom against others no might seize them. New events may upset present plans, but it may fairly be said that the intention of responsible American people today is to be just to Filipinos—an intention which has been put into maxim, "The Philippines for the Filipinos."

The Panama Zone controversy with Colombia is too ~~Panama~~ recent for discussion in a book of this kind. Mr. Roosevelt, who was President at the time when the Panama Republic was recognized by the United States, maintains vigorously that Colombia lost all her rights to Panama and should not be paid. Some believed strongly that the United States was unjust to Colombia, and during the Taft administration a treaty was presented to the Senate providing for the payment of \$10,000,000 in return for the Canal Zone. Colombia refused to accept this sum, and demanded that the whole controversy be submitted to arbitration. Again, under the Wilson administration, a treaty providing for the payment of \$25,000,000 to Panama was signed by the ministers of both countries, but so far has not been ratified by the United States Senate. Perhaps fifty years hence a fair judgment on the case can be formed.

The last case is clearer. The United States and Great Britain made a treaty to build the Panama Canal jointly. Later the United States wished to build and control it alone. A treaty was made with Great Britain to make this possible, and as a part of the treaty all nations were to pay equal rates for using the canal. When Congress passed a law giving American ships in the coasting trade free passage. It was claimed by the authors of this law that the treaty meant that we were to charge the same rates to all nations *except the* Panama
Canal
tolls

Peace and
harmony
with all

United States. Great Britain objected that this had not been her understanding, and in order to keep good faith Congress repealed its law. Now all ships, whether American or foreign, pay tolls at the same rates. Such action is in accord with Washington's advice.

We come finally to the precept: Cultivate peace and harmony with all. One of the most important ways in which the United States has tried to cultivate peace and harmony has been in settling disputes by arbitration. President Eliot names this as one of five contributions which America has made to civilization. The first treaty of modern times which provided for arbitration was the so-called Jay treaty between the United States and Great Britain. This was negotiated by John Jay in 1794 and provided that a number of points should be referred to commissioners. From this time on such treaties became more and more common between civilized nations until in the first decade of this century one hundred and eighty such agreements were signed, and from the date of the Jay treaty up to the end of the nineteenth century two hundred and sixteen decisions had been rendered. Several of these have been on matters of great importance which might easily have led to war. Such was the decision of the famous *Alabama* case. During the Civil War a ship was built for the Southern Confederacy in an English shipyard. When ready it was turned over to Confederate officers, named the *Alabama*, and used to destroy the commerce of the Northern States. The United States government claimed that England was responsible for the damage thus inflicted, because it had permitted the *Alabama* to put to sea in spite of warning that it was intended for a warship. People in the North felt very bitter. The claims were finally referred to a tribunal

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of eminent men, which met at Geneva, and after hearing the evidence and arguments of both sides, awarded the United States thirteen and a half millions of dollars as damages. Perhaps the money was less important than the satisfaction in being able to present the case to a fair court and having a decision that we had a just cause. It stings and makes men bitter when they believe themselves unjustly treated and cannot get any hearing. Other very important questions arbitrated by the United States have related to fisheries, and to the boundary between Alaska and Canada.

So much we have done to cultivate peace. But now we have entered upon a new stage in our career. To carry out the real spirit of Washington's advice we first attempted to bring the great war to a close; then entered it ourselves. Three forces have been at work to compel a change in our relations to Europe.

First, we are no longer so far from Europe as we were, and Asia is nearly as close a neighbor to our western coast. When Washington wrote, it took many weeks to cross the ocean. There was no telegraph or cable. Each nation lived mainly on its own resources, that is, it raised its own grain and other means of obtaining food and did comparatively little trading with others in the necessities of life. Hence it was possible to promote peace chiefly in a negative way. All this is changed. Europe is scarcely farther from our Atlantic coast than our own Pacific states. Indeed, so far as the rates for exchanging goods are concerned, it is very much cheaper for the states on the Atlantic coast to trade with Europe than with remote parts of our own country. Further, we have been borrowing money in great amounts from Europe and Europe has in this great war begun to borrow money from the United

Can we
remain
aloof from
other
nations?

Other
countries
are closer
than in
1797

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States and probably will continue to do so after the war is over. Many believe that it would be easily possible, with modern ships and submarines, for Europe to land an army upon our shores. When one European country is at war with another it almost certainly injures or affects our commerce. The whole world is now so intricately bound together that any great waste of life or property such as is caused by war must make, broadly speaking, the whole world poorer. If we have goods to sell it is desirable that other nations should be able to buy. They cannot have means with which to buy if they lose life and wealth in war. Evidently we are being more and more closely connected with the welfare of all peoples.

Commerce,
invention,
and
science
unite the
world

Second: new forces of a positive type at work have been pointing toward a greater unity among all peoples. We have just spoken in the preceding paragraph of our relation as buyers and sellers, as borrowers and creditors. Another very important fact is that with our telegraphs and frequent mails, with the greater amount of travel between people of different countries, with the multitude of immigrants who have come to us from Europe, and with the lesser number who return to Europe after living here for a time, we are coming to understand other peoples better. They are not so foreign as they were. It is one striking illustration of this that representatives of the different nations now meet together and arrange common postal laws so that a two-cent stamp is of the same color among all peoples in the postal union; and the same is true for the stamps of the other denominations. Banks arrange to pay checks in any part of the world through their allied banks. Men in various scientific societies meet together and consider in common the discoveries and

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inventions that will promote human welfare, the methods of relieving poverty and sickness, of administering law and preventing crime. In all these ways the world is becoming united.

Third: coöperation in so many ways suggests that it may be possible to coöperate in protecting liberty and doing justice. Coöperation is in some ways a larger idea than peace. Peace suggests that I am not to interfere with any one by violence. Coöperation suggests that I shall positively help him. Now the nations are positively helping each other in many ways. Will they not be forced to carry out the thought further and help each other to maintain liberty and justice?

Coöpera-
tion
needed to
protect
liberty

Just how this can be done it is yet too early to say. One suggestion is that a League of Peace be formed after the present war is over, which shall not merely encourage nations to make agreements but shall compel them to keep agreements, which shall guard the smaller nations from having their liberty taken away, which shall free the peoples of Europe from the ever-present fear that has oppressed them so long, and led them to spend such great sums in constant preparation for war and to maintain such enormous armies. It is clear that unless something of this sort can be done humanity cannot make more than very slow progress. We now even in this country expend enormous sums for our small army and navy. Unless some better method of protection is devised the expenditure that each country will think necessary in order to protect itself from others will increase until it will take all that the country can produce. Education and all kinds of progress will be stinted.

and
democracy

And if we believe sincerely in democracy we shall need especially to coöperate with others for its defense.

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Why
militarism
is enemy
to
democracy

For if there is any enemy to democracy it is militarism. Militarism means the doctrine that military power ought to be the great aim of the state and that the military class ought to be the ruling class. In some European countries the military class itself sincerely holds this doctrine. Further, this class has been so efficient in many ways that it has been able to convince many of other classes that the only safety of the nation lies in the militarist system. Such a military class despises democracy in the sense of self-government, for it thinks itself the only class fit to govern. It may put this belief into the old language that it governs by divine right. It ridicules democracy in the sense of equality, for it considers itself superior to other classes. It is often brutal and contemptuous toward civilians. Nations that prefer other ends than power are looked down upon by such a military class as weak and degenerate. It is indeed entirely probable that peaceful and democratic nations will be at a disadvantage in resisting a sudden attack by a militarist power. Perhaps they cannot defend themselves singly without setting up a military class of their own. Their best, if not their only course, is therefore to combine for protection and peace. The only hope for protecting our own democracy and for helping the growth of democracy in other countries is through positive coöperation. In President Wilson's great words, "The world must be made safe for democracy."

CHAPTER XLII

WAR AND RIGHT

OUR policy has been to cultivate peace. Should a nation ever go to war? There are three views about this which have been so much discussed recently that it is well to state them.

First: war is a good thing. Second: war is always evil and always wrong. Third: while war is always an evil it is not the worst thing; war is sometimes right.

Is war ever right?
Let us see what the arguments are for each of these three views. We shall have to condense the arguments so that they will be somewhat like a debater's brief. The militarist argues:

War is a good thing, for—

Argument
for war

(a) War makes men brave; in peace they become weak and cowardly.

(b) It is through war in the past that the brave nations have prevailed over the weak ones and so have survived. If there had been no war there would have been no selection of the most efficient peoples.

(c) War makes men think of something besides themselves. It holds up an ideal of loyalty and patriotism. In peace men become selfish and think only of private gain. It is a more glorious thing to die for country in battle than to live a selfish or idle or luxurious life and die of disease.

(d) War unites all the members of a nation into one strong state which is then able to provide for science and art, for education, for the care of the laboring

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people. Bismarck held that the three wars fought by Prussia under his advice, in 1864 against Denmark, in 1866 against Austria, and in 1870 against France, were the only way to make a united Germany. It was only by blood and iron—not by talk or negotiation—that this could be done.

(e) War is the only way to make a change in the territory of peoples corresponding to the changes in their needs and ability. If a nation at one time is strong and covers a large territory, but later becomes degenerate and does nothing for progress, it ought not to hold all its territory as against a nation which is progressive, a nation which will make advances in science, education, and other forms of civilization.

Arguments
against
war

On the other hand, the pacifist urges:

(a) War is simply murder on a large scale. Killing is killing. To kill a million men is a million times as bad as to kill one man. Wearing a uniform does not change the essence of the act. Fundamentally, war means killing innocent men who usually are not at all responsible for whatever wrong their government has done.

(b) War makes men brutal. It compels men to stifle every tender or generous feeling toward their opponents. It frequently leads men, under the plea of military necessity, to kill women and children, to torture people, and in general to outrage every decent feeling.

(c) War crushes all freedom of action, of speech, and even of thought. There is no chance for the soldier to discuss or question whether he is doing right or wrong. He not only simply gives up his life blindly but also allows the government to take the place of his conscience. Even men not in the army are frequently

punished if they question in any way the policy of the government in war.

(d) While it is true that war compels men to be loyal this is not necessarily a gain unless they are to be loyal to a good cause. To be loyal to a gang of murderers and plunderers is not made any better by calling the gang a state and the head of the gang a king or a government. Most wars have been simply raids for conquest or plunder by such an organized gang.

(e) War is not only wicked, it is foolish. To conquer does not profit a nation; it could gain far more by peaceful trade. War wastes resources of men, loads the common laborer with a burden of debt, and prevents him from bettering himself. It is the great enemy of democracy.

(f) War declares might is right. It does not follow that the nation that can fight best is the one that will promote civilization. Greece was the most civilized nation of the Old World. It was conquered by Romans who were better fighters. It came very near being conquered by the Persians. In recent times some of the small peoples of Europe have been foremost in their contributions to science, music, and literature.

So much for the militarist and the pacifist. The third view would agree with the militarist that war has helped make men brave, has been the way in which nations have been formed which have made possible the progress in arts and sciences. It would agree with the pacifist that war also tends to make men brutal, that it crushes out freedom of thought and speech, that it is stupid and wasteful from a financial point of view. In other words, that war is an evil and not a good. But the crucial question for this third point of view is,

War an
evil, but
not the
greatest
evil

Is war the worst thing that can happen? And it answers, Bad as war is, there is one thing worse: that is, to permit liberty and justice to be crushed out without resisting. It ought to be possible, we say, to appeal to man's better nature, to get men to listen to reason, or to let some fair-minded third person decide quarrels. But unfortunately some men will not listen to reason; some men are greedy; some are violent; and our whole belief in government with our courts and our police rests on the view that if a man will not respect the rights of others, especially of the weak, he must be restrained. If, while I am standing by, a man comes along and attempts to murder a woman or a child, it is my duty to prevent him from doing what he wishes. If there is no other way to prevent him I ought to use force, and this may mean that I shall have to kill him; but it is better to kill him than to allow him to go on and murder. For if I look on and permit I virtually become his accomplice. "The right is more precious than peace."

Force in
defense of
liberty
and
justice

The argument that there may be a just war is based on the same principle as the argument for controlling murderers and thieves. The national state, at first the creation of force, has been growing step by step more democratic and free. Its laws, at first the decrees of kings who claimed to rule by divine right, have been revised and rewritten in order to make them more just. It has a duty to its citizens to protect them from violence; it has a larger duty to prevent liberty and democracy from being crushed. If no other way is left open it may use force to aid such "a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations, and make the world itself at last free."

It is for war in defense of liberty that we have the lines of Lowell that are on the Shaw Memorial in Boston:

"The brave soul of him lives on to light men's feet
Where death for noble ends makes dying sweet."

It is for death in such a cause that the lines of Emerson appeal to most men's moral sense:

"Though love repine, and reason chafe,
There came a voice without reply,—
'Tis man's perdition to be safe,
When for the truth he ought to die.'"

Yet, when we have said this, it still remains true that war even in a just cause shows that we are still very backward in civilization. In early savage society men fought over a great many questions which we now settle by appeal to a judge. As nations we are still only partly civilized so long as we go to war when some other way of establishing justice or of defending liberty could be found. Sometimes a little patience will achieve a great deal; for example, it is now believed by many, if not by most of those who were at the time well informed, that President McKinley could have carried out his plan to secure by peaceful negotiation with Spain her withdrawal from Cuba. Negotiations were in progress for this; but when the *Maine* was sunk people were too impatient to wait any longer. It is easy to see now how much better it might have been if the slaves could have been emancipated without war. Few now in the South would say that such a system as that of slavery could have lasted many generations in the face of the growing public sentiment of the world. It would of course have been a small matter to

War a
crude
method

pay a liberal sum to all slave owners as compensation for setting the slaves free in comparison with what the war actually cost in money; terrible loss of life, and the creation of bitter feelings which cannot yet be said to have died out entirely, might also have been avoided.

War persists because mankind has as yet risen but a little way on the ladder. The nation is a better group for keeping the peace than was the early clan, and a democratic nation is a great advance beyond the king and his warriors. Loyalty to a democratic nation is a nobler devotion than loyalty to a clan or a chief or a king. Patriotism is a quality we honor. But a nation, like a clan, is a group which has its defects as well as its values. So far as it means coöperation it is good; so far as it limits coöperation with other peoples, or what is worse, sets men in hostility to other peoples, it is bad. Loyalty to a great cause, such as freedom, is noble; but we have come to see that only by justice and coöperation can even freedom be secure. Loyalty to mankind must finally be supreme; international law, international coöperation, international friendship must increase. This may not mean that nations will give up their individual lives, or cease to exist, any more than the family ceased to exist when nations were formed. It means, first, that we shall cultivate in science, in trade, in art, in communication of all sorts, a wider knowledge of mankind, a more intelligent sympathy, a genuine respect, and thus prepare for what an American philosopher has called the Great Community. It means, secondly, that nations will have to keep international law and submit their disputes to a better tribunal than war.

For, when all is said, it remains true that might does not make right. A war decides which side is stronger;

it does not decide which side is right. If we were to look back through history we should probably find about as many cases where the wrong has won as where the right has won. Some have argued that we must suppose that God will always decide for the right in a struggle. So far as we can see, this is not the case when the struggle is one of physical force. People used to think that the way to decide whether a man was innocent or guilty was to leave it to God. They would throw the man into the water or make him walk over hot plowshares. We have concluded that God has given man reason by which to decide such questions, and we think that trial by jury is a better plan to find out innocence than is trial by ordeal. So formerly in battle kings used to think that their national god would be on their side and would enable them to win the victory; but we have seen how many good causes have been trampled down, how many noble men and women have perished through violence, so that it has sometimes seemed to be,

Might
does not
make
right

"Right forever on the scaffold, wrong forever on the throne."

On the whole, ideas and discussion, the work and example of noble men and women, have been greater powers than war for the spread of liberty and justice. This does not mean that it is any the less our duty, when such a crisis comes as 1775 or 1917, to uphold by every means in our power the cause of liberty and justice. It does mean, first, that men have gained these ideas which justify our struggles and sacrifices chiefly through other agencies than war. And, in the second place, that our faith in right and justice ought

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not to depend upon whether they seem to be succeeding or failing in war. In the long run, we may well hold, liberty, justice, coöperation, and democracy are gaining and will prevail. But at the time of trial the brave man is not governed by success or failure. He does his duty; he cannot do otherwise. The noblest words of faith which I know, and those which may well serve as the maxim in life for every American citizen in our dealings with other nations as well as in our own affairs, are the words of Lincoln:

"LET US HAVE FAITH THAT RIGHT MAKES MIGHT."



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